



## **USAID/Zambia**

**“PROSPERITY, HOPE AND  
BETTER HEALTH FOR ZAMBIANS”**

### **COUNTRY STRATEGIC PLAN FY2004 – 2010**

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**Volume II: Annexes**

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**ANNEX A: BIBLIOGRAPHY**



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**ANNEX B:**

**SUMMARY OF CSP DEVELOPMENT CONSULTATIVE  
PROCESS**





## SUMMARY OF CSP DEVELOPMENT CONSULTATIVE PROCESS

November 2001	Brainstorming Mission Retreat including the RLA and RCO: CSP Development Workplan drafted
March 2002	Mission Strategy Planning Training Workshop: (TA from Regional Impact Advisor and PWC) FY2004-FY2010 CSP Vision Statement established
May	Comprehensive Multi-disciplinary Literature Review on Zambia's development environment completed by local external consultants
August	Zambia Contextual Study completed by international and local external consultants
May	Sectoral stakeholder meetings held with external facilitation: 1) Agriculture, Natural Resource Management and Private Sector stakeholders consultative workshop
June and Sept	2) Basic Education stakeholders consultative workshop
August	3) Health sector stakeholders consultative workshop
July	4) Democratic Governance stakeholders consultative workshop Sectoral Assessments completed by teams of international and local external Consultants: 1) Agriculture, Natural Resource Management and Private Sector Development 2) Basic Education, including feasibility of Education Sector Program Assistance 3) Health and HIV/AIDS 4) Democracy & Governance Assessment of Zambia
September	Review of First Draft of CSP Concept Paper
October	National Stakeholder Consultative Workshop on Concept Paper AFR and RCSA Field Meeting with Mission to review Concept Paper Concept Paper Completed and transmitted to USAID/Washington USAID/W Review of Concept Paper
December	Parameters Received
August	Mandatory analyses and other studies completed: 1) Macroeconomic Analysis (part of Contextual Study)
November	2) Environmental Threats and Opportunities Assessment first draft
February 2003	1) Zambia: Gender Analysis for proposed USAID CSP 2) Food Security and Nutrition Assessment
March	Completion of Sectoral Chapters
April	Performance Management Plan Development (TA from Regional Impact Advisor and Regional Gender Specialist) Draft CSP National Stakeholders Consultative Workshop
May	Final Mission Review and Submission to AID/W
June	AID/W Review and approval of CSP
July	Transmission of Approval Cable by AID/W
July	Transmission of final CSP to AID/W
August	Posting of CSP on Mission and CDIE websites

**ANNEX F: USAID/ZAMBIA HIV/AIDS STRATEGY**



# **MULTISECTORAL HIV/AIDS STRATEGY 2004 - 2010**

**JUNE 2003**

# **USAID/ZAMBIA: MULTISECTORAL HIV/AIDS STRATEGY**

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## **ACRONYMS**

ABC	-	Abstinence, Being faithful or using Condoms
AGOA	-	Africa Growth and Opportunity Act
AIDS	-	Acquired Immune Deficiency Syndrome
ANC	-	Antenatal Clinic
ARV	-	Antiretroviral Drugs
BCC	-	Behavior Change Communication
BESSIP	-	Basic Education Sub-Sector Investment Program
CA	-	Cooperative Agreement
CBI	-	Cross Border Initiative
CBO	-	Community-Based Organization
CBOH	-	Central Board of Health
CCM	-	Country Coordinating Mechanism
CDC	-	Centers for Disease Control and Prevention
CHAZ	-	Churches Health Association of Zambia
CIDA	-	Canadian International Development Agency
CLUSA	-	Cooperative League of the USA
CSD	-	Child Survival and Disease
CSAFE	-	Consortium for Southern Africa Food Emergency
CSM	-	Condom Social Marketing
CSO	-	Civil Society Organization
CSP	-	Country Strategic Plan
D/G	-	Democracy and Governance
DA	-	Development Assistance
DAFT	-	District AIDS Task Force
DANIDA	-	Danish Aid
DBA	-	District Business Association
DfID	-	Department for International Development (UK)
DHMT	-	District Health Management Team
DHS	-	Demographic and Health Survey
DOD	-	Department of Defense
DOTS	-	Directly Observed Therapy, Short-Course (for Tuberculosis)
DRC	-	Democratic Republic of Congo
FINNIDA	-	Finnish International Development Agency
FP	-	Family Planning
FY	-	Fiscal Year
GFATM	-	Global Fund for AIDS, Tuberculosis and Malaria
GRZ	-	Government of the Republic of Zambia
HEART	-	Helping Each Other Act Responsibly Together
HIV	-	Human Immuno-Deficiency Virus
HIV/AIDS	-	Human Immuno-Deficiency Virus/Acquired Immuno Deficiency
HMIS	-	Health Management Information System
HOW	-	HIV/AIDS-Orphans Working Group
IEC	-	Information, Education, Communication
IESC	-	International Executive Service Corps
IR	-	Intermediate Result
IRH	-	Integrated Reproductive Health
IRI	-	Interactive Radio Instruction
IT	-	Information Technology
JICA	-	Japanese International Cooperation Agency
MACO	-	Ministry of Agriculture and Cooperatives
MCA	-	Millennium Challenge Account

MCH	-	Maternal and Child Health
MFNP	-	Ministry of Finance and National Planning
MOE	-	Ministry of Education
MOESP	-	Ministry of Education Strategic Plan
MOFED	-	Ministry of Finance and Economic Development
MOH	-	Ministry of Health
MOU	-	Memorandum of Understanding
NAC	-	National AIDS Council
NGO	-	Non-Governmental Organization
NHSP	-	National Health Strategic Plan
NORAD	-	Norwegian Development Agency
NZP+	-	Network of People Living with HIV/AIDS
OVC	-	Orphans and Vulnerable Children
OYB	-	Operating Year Budget
PA	-	Program Assistance
PHN	-	Population, Health and Nutrition
PLHA	-	People Living With HIV/AIDS
PMTCT	-	Prevention of Mother to Child Transmission of HIV/AIDS
PRSP	-	Poverty Reduction Strategy Paper
PSC	-	Personal Services Contractor
PSRP	-	Public Service Reform Program
PVO	-	Private Voluntary Organization
SIDA	-	Swedish International Development Agency
SO	-	Strategic Objective
SO5	-	Strategic Objective Five (Increased Private Sector Competitiveness)
SO6-		Strategic Objective Six (Improved Quality of Basic Education for More School-aged Children, Phase II)
SO7	-	Strategic Objective Seven (Improved Health Status of Zambians)
SO8	-	Strategic Objective Eight (Government Held Accountable)
SO9	-	Strategic Objective Nine (Reduced Impact of HIV/AIDS Through Multisectoral Response)
SOAG	-	Strategic Objective Agreement
STI	-	Sexually Transmitted Infection
SWAp	-	Sector-Wide Approach
TA	-	Technical Assistance
TB	-	Tuberculosis
TWG	-	Technical Working Groups
UNAIDS	-	United Nations Programme on AIDS
UNDP	-	United Nations Development Programme
UNFPA	-	United Nations Population Fund
UNICEF	-	United Nations Children's Fund
US	-	United States
USAID	-	United States Agency for International Development
USDH	-	United States Direct Hire
VCT	-	Voluntary Counseling and Testing for HIV
WFP	-	World Food Program
WHO	-	World Health Organization
ZATAC	-	Zambia Agribusiness Technical Assistance Center
ZDES	-	Zambia DHS Education Survey
ZIHP	-	Zambian Integrated Health Programme

ZINGO	-	Zambia Interfaith Networking Organization
ZNAN	-	Zambian National AIDS Network
ZSBS	-	Zambian Sexual Behavioral Survey

## EXECUTIVE SUMMARY

The HIV/AIDS epidemic is having devastating effects on all dimensions of Zambian society. Rising to the short-term and long-term challenges brought about by rising mortality rates and increased needs for comprehensive care, USAID/Zambia conceptualizes a multisectoral approach to HIV/AIDS prevention, care, mitigation and treatment. Continued capacity building within and beyond the health sector will provide a strong basis for the expansion of existing successful strategies. New strategic components in both prevention and care and support will foster a more comprehensive response. Working with the Government of Zambia (GRZ), USAID/Zambia will contribute significant financial and human resources during 2004-210 to fully realize a continuum of care for infected persons and their households.

The Zambian national HIV prevalence rate is 16% with 18% of women and 13% of men infected country-wide. Behavior change indicators show that Zambia's diverse society is responding positively to increased levels of HIV/AIDS advocacy, risk reduction campaigns, promotion of abstinence, ABC's and a greater willingness among the population to openly discuss the multisectoral impacts of the epidemic. Prevention efforts, however, particularly among youth 15-24 years, require a scaled-up response throughout every district in the country with particular attention to rural areas. Care and support for affected households and mitigation require strategies and implementation of activities across every sector. In the new strategy, traditional and formal political leadership structures, communication channels, existing teams and networks within the education, agriculture, judiciary and private sectors will be mobilized to higher levels utilizing advocacy and multisectoral approaches.

Two objectives are central to the Zambia HIV/AIDS Strategy: *reduction in the rate of new HIV/AIDS infections among Zambians 15-14 years of age* and *reduction in the impact of HIV/AIDS through a multisectoral approach*. As a rapid response country, USAID/Zambia is fully committed to the international and agency-wide goals of reducing prevalence rates and mitigating the impact of HIV/AIDS by a significant measurable degree by 2010. In order to achieve these goals USAID/Zambia will work with the GRZ, other collaborating partners and implementing partners supported by with the Global Fund for AIDS, Malaria and TB to achieve results. Maintaining high-quality clinic and community-based care and support services is a key challenge that the new strategy will address.

HIV/AIDS initiatives will be strategically expanded in five new Mission Strategic Objectives (SOs). These include the economic growth sector (SO5), education (SO6), health (SO7), democracy and governance (SO8) and addressing HIV/AIDS impact through a multisectoral response (SO9). These five SOs offer new opportunities and an expanded set of implementing partners to extend HIV/AIDS workplace prevention programs, community and household responses to food, psychosocial support and the needs of vulnerable children as well as human rights and legal/regulatory responses.

### **HIV/AIDS in the Health Strategic Objective (SO7):**

HIV/AIDS strategies under this objective will be considerably expanded to include more strategic work in prevention, care and support and treatment. A critical decision regarding SO7 is to provide a more strategic program response to STI control including HIV among high risk groups throughout the country such as commercial sex workers, the military, among police, among commercial drivers, youth in the transport industry,



and money changers along major road corridors and within urban centers and junction towns. Both prevention and clinical case management will be strengthened in order to prevent new cases of HIV infection. A greater focus on STI clinical management and training of health workers will be undertaken by the GRZ with technical support from USAID/Zambia, their partners and training institutions.

Voluntary counseling and testing (VCT), currently situated primarily in 92 of Zambia's existing integrated health facility sites, will be a key entry point for clients and their families. While the establishment of these VCT sites has been a major accomplishment of the Zambia VCT Partnership between 2000 and 2003, quality of services and increase in VCT uptake are urgently needed. Technical assistance will also be provided to community-based VCT sites where assistance is called for by civil society programs.

With the strengthening of VCT sites and continuing community mobilization, Zambia partners plan to strategically realize the concept of the continuum of care that has been a part of the country's vision since the late 1980's. Under SO7 more Zambians will be motivated to learn their status and to enter doorways that lead to care and treatment. Intervention strategies include a cadre of health professions working in teams to diagnose, care and support, HIV-infected adults and children. Interventions will build skills and enhance the clinical and community environments where Zambians will receive care and treatment. Referral system strengthening and program documentation will be central to USAID/Zambia's role.

A national expansion of prevention of mother-to-child transmission (PMTCT) intervention strategies will be an integral part of SO7's activities. Working with the Central Board of Health, District Health Teams and four key implementing partners (health facility staff, LINKAGES, JHPIEGO, and Elizabeth Glaser Foundation), USAID/Zambia, CDC, and UNICEF will provide technical support to expand comprehensive service delivery PMTCT sites to all provinces by the end of calendar year 2004 and to all districts by 2007. The strategy is to incorporate a comprehensive care package including Nevirapine into routine antenatal care following national guidelines and service delivery modules. Male involvement and community-support networks are keys to the success of the clinic programs.

Key indicators and targets for measuring progress towards achieving planned results will include:

- HIV prevalence among 15-24 year olds: Baseline (2002) – 8%; 2010 – 3%;
- Provision of basic care and psychosocial support services to at least 50% of HIV infected persons by 2010;
- 60% of HIV-positive mothers receiving a complete course of antiretroviral prophylaxis to reduce HIV transmission to their infants by 2010; and
- Provision of community-support services to at least 40% of children affected by HIV/AIDS by 2010.

Intermediate Results under SO7 will include:

- Zambians Taking Action for Health (including HIV/AIDS);
- Achievements and Maintenance of High Coverage of Key Health Interventions;
- Health Services Strengthened (including HIV/AIDS clinical care)

## **HIV/AIDS in SO9, Reducing Impact of HIV/AIDS Through Multisectoral Response**

Through this strategic objective the Mission will address HIV/AIDS and its impact on all Country Strategic Plan (CSP) sectors. As a set of strategic priorities, SO9 programs are calculated to address an intense, integrated and coordinate response through multisectoral approaches. Through work under SO9, all sectors—agriculture, health, education and democracy and governance will document impact and develop both prevention and care programs to respond to sector needs.

Under SO9 a strategic expansion of impact assessments by sector and HIV/AIDS workplace programs will be initiated with leadership and planning from the key sectors and ministries teams beyond the health sector. Establishing program ownership and direction in additional sectors -- especially economic growth, agriculture, education and the judiciary will enhance new HIV/AIDS approaches, open new channels of communication and strategically take advantage of the unique structure and cultural dimensions of diverse training institutions, work settings and community constituencies.

Based on lessons learned from Zambia's existing orphans and vulnerable children's program, educational, economic and psychosocial support for vulnerable households will be significantly expanded under the new HIV/AIDS strategy. The multisectoral nature of providing enhanced food security, legal advice, economic enhancement, education and psychosocial support to vulnerable households affected by HIV/AIDS will allow a higher level of program impact and coordination within this SO.

Key indicators for measuring progress towards achieving results will include:

- % of OVCs receiving support;
- HIV prevalence among 15 – 24 year olds; and
- Reduced absenteeism in formal and informal work settings

The Intermediate Results of SO9 will include:

- Reduced HIV/AIDS Transmission;
- Improved Care and Support for People Living/Affected by HIV/AIDS?
- Strengthened Capacity of Key Sectors to Mitigate the HIV/AIDS Impact;
- Improved Policy and Regulatory Environment.

Opportunities for national scale-up of successful HIV/AIDS intervention through behavior change communication, community empowerment and mobilization, greater involvement of youth, strengthen skills among health providers and expanding access to care and treatment are currently available in Zambia. Greater utilization of existing organizational structures among traditional chiefs, the national parliament, provincial offices and district-level implementers will bring Zambians into a more effective partnership government and civil society.

## 1. COUNTRY SITUATION

### 1.1 Current Status of the Epidemic

Zambia is currently experiencing the health, economic and social impacts of a mature HIV/AIDS epidemic. The epidemic has affected all aspects of social and economic growth in the country. It has devastated individual families, weakened all areas of the public sector, and threatens long-term national development. Despite some evidence that the epidemic may have reached a plateau, its effects will continue to require a major multisectoral response from the Government of the Republic of Zambia (GRZ) and collaborating partners for many years to come.

Zambia has excellent data on both sero-prevalence patterns and behavior change. The country now has the results of three major national surveys that give insight into the complexity of its HIV/AIDS epidemic: the household-level Demographic and Health Survey (DHS 2001-02), the Zambian Sexual Behavior Survey (ZSBS 1998, 2000) and the National HIV and Syphilis Sentinel Surveillance (partial data from 1994, 1998, 2002), conducted at antenatal care clinics.<sup>1</sup> The most recent national population-based study, the Demographic and Health Survey (DHS) for 2001-02, documents an HIV infection rate for women at 17.8% and men at 12.9% (16% combined). Zambia currently has an estimated 900,000 to 1.2 million persons living with HIV/AIDS. The recent report *Children on the Brink 2002* estimates that in the year 2001 there were 572,000 orphans, aged 0-14 years, in Zambia as a result of HIV/AIDS.<sup>2</sup>

The national HIV/AIDS prevalence rate is 16% (DHS 2001/2). There appear, however, to be marked differences in HIV infection between urban and rural populations: rural areas of the country have consistently lower rates of infection. The DHS results document a national average of 11% in rural areas, compared to 23% for urban populations. Among rural areas, however, there is a significant diversity in infection rates (Table 1). Women in both urban and rural areas have higher rates of infection as reported in this population-based survey.

A comparison of findings from the Zambia Sexual Behavior Surveys from 1998 and 2000 shows encouraging signs of behavior change. Both male and female youth are delaying the onset of sexual activity. Among 15-19 year olds, the median age of initiating sexual activity increased from 16.3 to 17.9 years for males and 16.9 to 17.4 years for females. Among 15-49 year olds, the surveys measured a decline in the proportion of sexually active persons having sex with a non-regular partner in the past 12 months, from 38% to 31% among men and from 20% to 16% among women. For the same age group, the surveys documented an increase in condom use among sexually active persons having a non-regular partner within the last 12 months from 29% to 41% among men and from 19% to 33% among women. Annual condom sales show positive program efforts with 8.6 million sold in 2000, 10.1 million sold in 2001 and approximately 11 million in 2002.

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<sup>1</sup> Antenatal Clinic (ANC) Sentinel Surveillance and Demographic Health Survey (DHS) data are not directly comparable since they are based on very different methodologies, yet each makes an important contribution to assessing the scope of the epidemic. The ANC data, based on blood samples routinely collected from pregnant women at 24 urban and rural sites, provides a low-cost tool for regularly monitoring trends and other key aspects of the epidemic. The DHS, a more expensive tool, is a nation-wide sample survey that can more accurately assess the level of HIV prevalence because it includes a representative sample of both men and women of reproductive health age. ANC data are analyzed and reported every other year; every five to seven years a DHS study is implemented.

<sup>2</sup> *Children on the Brink 2002: A Joint Report on Orphan Estimates and Program Strategies*, UNAIDS, UNICEF, USAID July 2002

**Table 1. HIV prevalence in Zambia by age, residence and province among men and women age 15-49**

Demographic Characteristics	Women		Men		Total	
	% HIV +	No. Tested	% HIV+	No. Tested	% HIV+	No. Tested
AGE						
15-19	6.6	498	1.9	366	4.6	864
20-24	16.3	443	4.4	309	11.4	752
25-29	25.1	363	15.0	318	20.4	681
30-34	29.4	274	20.5	260	25.1	534
35-39	22.6	210	22.4	227	22.5	437
40-44	17.3	154	20.5	153	18.9	307
45-49	13.6	131	20.2	101	16.5	232
RESIDENCE						
Urban	26.3	808	19.2	676	23.1	1,484
Rural	12.4	1,265	8.9	1,058	10.8	2,323
PROVINCE						
Central	16.8	171	3.4	135	15.3	306
Copperbelt	22.1	423	17.3	352	19.9	775
Eastern	16.1	252	11.0	219	13.7	471
Luapula	13.3	167	8.6	133	11.2	299
Lusaka	25.0	296	18.7	263	22.0	559
Northern	10.0	283	6.2	234	8.3	517
North-Western	8.8	92	9.5	75	9.2	166
Southern	20.2	220	14.6	188	17.6	408
Western	16.9	169	8.3	136	13.1	306
Total	17.8	2,73	12.9	1,734	15.6	3,807

Source: Zambia Demographic and Health Survey, 2001-02. Preliminary Report, Washington: Measure DHS+ ORC Macro, 2001-02.

Trends in the epidemic can be tracked through the data from the 24 national surveillance sites. Data from these surveillance sites (1998, 2002) provide further evidence that the epidemic continues to plateau in some locales. The sentinel sites had a combined prevalence rate of 18.9 percent (National HIV/AIDS Surveillance 2002). Sentinel surveillance results are slightly higher than the population-based DHS results because they are based on antenatal attendees utilizing more urban clinics where HIV prevalence rates are higher.

The impact of the epidemic on social and economic development resulting in declining productivity in all sectors, particularly health, education, agriculture and transport, is significant. The number of labor days available to the average small-scale farmer household in Lusaka Province has fallen from 800 to 500 per year.<sup>3</sup> Historical economic disparities between urban and rural areas, chronic nutritional deficiencies compounded by shortfalls of food supplies, continuing gender inequities and an increasing number of HIV/AIDS orphans and vulnerable children add to the epidemic's burden on all sectors.

## 1.2 Host Country Strategy

The GRZ established the National AIDS Control Program in 1986 and the First Medium Term Plan (1988-92) to address HIV/AIDS was developed in the mid-1980s. A second

<sup>3</sup> Zambia AgroBusiness Technical Assistance Center, 2002.

Strategic Plan (1992-97) addressed HIV/AIDS prevention challenges and STI control. A third Strategic Plan, developed in 1997, guided the government's multisectoral response to HIV/AIDS from 1999-2001. This plan has been amended as a five-year HIV/AIDS Strategic Plan for 2000-2004, which was finalized in 2000 (with assistance from USAID/Zambia) as the *Zambian National HIV/AIDS Strategic Framework* (National HIV/AIDS/STD/TB Council 2000). The plan is being implemented through partnerships between the public and private sectors and non-governmental organizations.

Formal cost estimates for implementing the national framework were developed and shared with all partners (National HIV/AIDS/STD/TB Council, 2001). The National AIDS Bill, passed by Parliament in late 2002, formally recognized the establishment of the National AIDS Council and the AIDS Secretariat (NAC).

The GRZ has recognized HIV/AIDS as a national priority in both the National Health Strategic Plan 2001-05 (NHSP) and the Poverty Reduction Strategy Paper (PRSP, 2002). Major priorities identified in the PRSP for HIV/AIDS include:

- Behavior change communication
- Enhanced public-sector condom distribution
- Expanded VCT+ services
- Strengthened community home-based care, implemented by NGOs/CBOs
- Provision of ARVs through public sector clinics

Additional priorities in the PRSP are:

- Improved STI management
- TB prophylaxis
- Expanded access to preventive services for PMTCT, including ARVs
- Treatment of opportunistic infections

These priorities were addressed in Zambia's application to the Global Health Fund for AIDS, Tuberculosis and Malaria (Global Fund). In April 2002, the Fund awarded \$92 million to Zambia for HIV/AIDS prevention and mitigation over five years. Zambia has formed a Country Coordinating Mechanism (CCM) of 24 members to help with strategic planning and disbursement of Global AIDS funds, in conjunction with the NAC and the Central Board of Health (CBoH). A proposal for fiduciary arrangements was submitted to the Global Fund in January 2003. Four Principal Recipients have been identified: the CBoH, the Ministry of Finance and National Planning (MFNP), the Churches Health Association of Zambia (CHAZ) and the *Zambian National AIDS Network* (ZANAN).

During Year One, Global Fund resources totaling \$19.5 million will support expanded HIV-related behavior change communication, VCT, PMTCT, and care and support. Additional funds are earmarked for national, provincial and district level capacity-building. As one of the proposed Principal Recipients, the CBoH will be charged with the responsibility of purchasing commodities for enhanced STI case management and VCT. Structural systems and training in HIV care by health workers will likely take place with donor and Global Fund support. Some Global Fund resources will allow the purchase and development of treatment programs utilizing ARVs. USAID/Zambia will continue to work with the NAC and CBoH to share lessons learned in the technical areas of HIV/AIDS, TB and malaria that are to be supported through the Global Fund and to ensure a seamless national program.

HIV/AIDS activities in Zambia are coordinated through the NAC. The NAC is responsible for national leadership, coordination, policy guidance, and resource mobilization. There are nine

technical working groups under NAC on key thematic topics. Management of service delivery, including HIV/AIDS services, is the responsibility of the Central Board of Health (CBoH). Since 1992, when the GRZ introduced a decentralized approach, the tasks of planning, financing, and managing service delivery have increasingly been delegated to the district level.

This division of responsibility between the NAC and CBoH makes the need for overall coordination between government and donor agencies essential. Strong coordinating mechanisms will be increasingly important in the new USAID/Zambia strategy, given the Mission's continuing role as a catalyst to ensure the technical quality of nationally scaled up services and the increased funds available for HIV/AIDS programs.

Zambia's Education Ministry has developed an HIV/AIDS strategic plan for expanding its response. Both prevention activities among youth and prevention and mitigation work among teachers and Ministry of Education staff are critical. In December 2000, Zambia's Basic Education Sub-Sector Investment Programme (BESSIP) presented findings from a comprehensive review of on-going HIV/AIDS activities in schools and among youth. Education sector partners identified issues around equity, gender and HIV/AIDS as important foci of work. Life skills education, using radio and distance learning, and community sensitization and mobilization campaigns that help communities cope with the needs of all vulnerable children, particularly girl pupils, orphans and out-of-school children are underway.

The Ministry of Agriculture and Cooperatives (MACO) established an HIV/AIDS prevention team, comprising the Ministry's Assistant Director of Human Resources and twelve trained AIDS counselors. A new focal point person for HIV/AIDS has recently been identified in the Ministry. The agricultural sector will receive funding from the Global Fund for HIV/AIDS prevention. The Ministry has already carried out HIV/AIDS sensitization workshops for its staff in eight of Zambia's nine provinces, and distributes condoms to its employees. It has not yet, however, developed a national strategic plan for HIV/AIDS. Since the year 2000, USAID/Zambia has several discussions with the Ministry on issues of HIV/AIDS in the Agricultural Sector and the constraints on reducing impact. The Ministry is eager to incorporate HIV/AIDS prevention messages in its extension efforts.

Blood Safety has been addressed at the national level through Central Board of Health leadership and financial support from the European Union. During 1999-2002 additional infrastructure and new equipment was provided to strengthen blood safety at provincial health facilities and some district facilities. Blood Safety is currently coordinated under CBoH in collaboration with the Virology Laboratory at University Teaching Hospital.

### **1.3 USAID/Zambia's Current HIV/AIDS Program**

USAID/Zambia's current Country Strategic Plan (1998-2003) has four Strategic Objectives in the areas of agricultural and private sector (SO1), education (SO2), population, health and nutrition (SO3) and democracy and governance (SO4).

During the early phases of the HIV/AIDS epidemic, USAID/Zambia activities were directed primarily on prevention. Early HIV/AIDS programs focused on awareness and prevention education among youth, high risk groups, police, military and highly mobile sub populations. From 2000, with the availability of program funds for Rapid Response Countries, USAID/Zambia was able to expand its HIV/AIDS activities to include care and mitigation. In addition, multisectoral no cost/low cost activities were initiated in all Mission sectoral programs. With an increased need for coordination across all sectors,

the Mission formed the HIV/AIDS and Orphans Working Group (HOW Group). The HOW Group includes representatives from all SOs and provides a setting within the Mission for dialogue and synergy on multisectoral initiatives.

Under the current CSP, however, HIV/AIDS funds and programming were mainly carried out through SO3, the Population, Health and Nutrition (PHN) SO, with a very small amount of funding going to the other SOs. SO3 supports both national, community and district-level interventions. HIV/AIDS activities under SO3, were planned in accordance with several key principles. (1) They are part of an integrated approach that addressed a range of health issues at the national and community level (focusing at the community level on clinical services), in order to support improved primary health care in the decentralized GRZ system; (2) USAID/Zambia's objective was to act as a catalyst to study, demonstrate, and disseminate quality practices that could be scaled up nationwide as developed by ZIHP, the International AIDS Alliance and LINKAGES; (3) capacity-building for improved health systems as a basis for strong programs (including those in HIV/AIDS) has been a key element of the program; and (4) activities are planned and implemented in close partnership with the GRZ's national bodies and district level health management teams (DHMTs).

At the national level, USAID/Zambia's health SO works with the National AIDS Council, the Central Board of Health, civil society organizations and donor agencies to shape the national response to HIV/AIDS. A key mechanism for this activity is USAID/Zambia's participation in the national Technical Working Groups (TWGs), including those on STI, IEC, Reproductive Health, PMTCT, and VCT and Care. USAID/Zambia also directly implements two major national-level interventions including a behavior change communication campaign and a social marketing program for male and female condoms. In addition, high-risk populations are targeted through the cross-border initiative for truck drivers and sex workers, now operating in seven locales. The Mission has also worked at national level to strengthen the health system, through work on the Health Management Information Systems (HMIS), planning, service delivery guidelines, and human capacity building.

At this district level, USAID/Zambia has addressed HIV/AIDS in specific districts through the Zambia Integrated Health Program (ZIHP) and through other implementing partners in selected sites (for example, activities in sites along the transport corridors, and sites targeted for community mobilization for VCT and PMTCT, and for the SCOPE/OVC program). Taking all sectors into account, USAID/Zambia now supports activities in all of the nine provinces, focused in 40 of Zambia's 72 districts. Most of these activities are currently clustered in Eastern, Copperbelt, Central, Western and Southern provinces. A smaller number of activities are being implemented and facilitated in Northern, North Western, Luapula and in Lusaka Provinces.<sup>4</sup>

Multisectoral activities have included prevention, mitigation, and working to develop broader mechanisms for district-level collaboration, carried out through partnerships with business companies, agricultural companies, and with the education sector. HIV/AIDS has been included as a cross-cutting issue within all the components of USAID/Zambia's basic education activities since USAID/Zambia's Strategic Objective Agreement (SOAG) with the Ministry of Education in 2000, to support the Basic Education Sub-Sector Investment Program (BESSIP) (1999-2003). Since that time, USAID/Zambia's support has assisted the Ministry in its progress toward mitigation of the effects of HIV/AIDS on its school-age populations and the education profession. The BESSIP framework

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<sup>4</sup> See Annex 5 for list of districts with USAID-supported HIV/AIDS activities.

included sensitization and mobilization activities and materials, teacher training, IEC activities including radio and television programs and brochures, pamphlets, teachers' guides and school anti-AIDS clubs, peer education, community mobilization, an impact assessment, and a policy review. USAID/Zambia's education projects have been in line with the Ministry's goals in this area and have supported all of the activities listed above. Most directly, USAID/Zambia provided technical assistance in helping the Ministry draft its first strategic plan for carrying out mitigation efforts.

USAID/Zambia's SO1, in collaboration with the UN, is supporting the International Executive Service Corps (IESC) to sensitize business leaders on the impact of HIV/AIDS. The initiative has the potential to reach a large number of businesses, since partners are the District Business Association (DBA) (with 300 member companies), the Livingstone Tourist Association (65 companies), and the Commercial Farmers Association (305 companies). USAID/Zambia has worked with the private sector to promote and support workplace interventions since 2000 through the FaceAIDS program. This initial collaboration with business to support HIV/AIDS prevention in the workplace was substantially expanded through a multisectoral approach. The Democracy and Governance SO has also supported the private sector, funding the Zambia Business Coalition on AIDS to address workplace policies and programs.

In agriculture, USAID/Zambia has worked with its two main partners, the Cooperative League of the USA (CLUSA) and the Zambia Agribusiness Technical Assistance Center (ZATAC). Approaches have included awareness campaigns, and technical interventions to reduce the impact of the epidemic on labor skills and productivity and strengthen food security.

USAID/Zambia's Democracy and Governance SO4 has addressed HIV/AIDS as a key issue for increased public debate. The SO has worked to increase the engagement of civil society, including NGOs and faith-based organizations, in defining and influencing policy. DG has funded civil society organizations to address a range of HIV/AIDS policy issues, and has included HIV/AIDS as an issue in its training programs, including local government training. USAID/Zambia has also started working through the POLICY Project to increase the awareness and understanding of Parliamentarians about HIV/AIDS issues. It is expected that the DG and Health SOs will collaborate more closely under the new strategy to intensify the use of government and civil society channels to address HIV/AIDS policy and human rights issues. Through leadership from the HOW group, a pilot project was established in Livingstone District, Southern Province, to support an expanded multisectoral District AIDS Task Force to strengthen district-level response which has involved input from all four SOs working together.

USAID/Zambia also supports the individual involvement and commitment of its staff to fighting the epidemic. The HOPE Committee is an HIV/AIDS support group at USAID/Zambia, consisting of Zambian staff and their families. This Committee creates a supportive environment where staff can open up and share their thoughts and feelings on the personal impact of HIV/AIDS. The HOPE Committee was instrumental in building support for the addition of ARVs to the Mission HIV/AIDS Workplace Policy.

The ZAMCARE program is designed to provide assistance to Zambian communities by encouraging the entire U.S. Mission staff to become personally involved in the fight against HIV/AIDS. Under ZAMCARE, an employee can take up to four hours each month to volunteer with an approved organization to assist in HIV/AIDS activities



including work at orphanages and care and support homes. ZAMCARE presents staff the opportunity to give back to the community and help those affected by HIV/AIDS.

### **KEY INTERVENTIONS UNDER THE CURRENT PROGRAM**

The current HIV/AIDS prevention strategy focuses on key target populations:

- Youth 15-24 year olds, with special attention to issues affecting young girls and boys
- High-risk sub-populations especially those situated along borders
- Care and support for affected children
- Service providers and service users in selected communities

The following major interventions are being carried out to reach those target populations:

#### *Prevention Programs for Youth and High-Risk Groups*

- A USAID/Zambia behavior change communication (BCC) program entitled, “Helping Each Other to Act Responsibly Together” (HEART) targets youth nationwide. This mass media campaign stresses abstinence for those who are not yet sexually active and condom use for those who are.
- The Mission also sponsors youth-managed activities, including a newspaper “Trendsetters”, events for youth under Africa Alive, and collaboration with the Peace Corps/Zambia in funding youth football camps with a focus on HIV/AIDS, STI, and pregnancy prevention. CARE Zambia led the way in adolescent reproductive health programs that stressed HIV/AIDS and pregnancy prevention, and Africare and ZIHP are working to support youth centers that include a focus on HIV/AIDS prevention, skill-building and healthy life-styles.
- USAID/Zambia is supporting an operations research study, “Involving Young People in the Care and Support of PLHA in Zambia”, carried out by HORIZONS, on the role of youth in care and support. The hypothesis of the study is that if youth are involved in care and support of PLHAs, it will enhance their ability to protect themselves from HIV/AIDS and increase their perception of risk. Young people in the study districts are being trained in care and support techniques in collaboration with District Health Management Teams. Results from the study are already being used to design expanded care and support programs.
- Under SO2, USAID/Zambia has supported HIV/AIDS education in schools, including support for materials development, peer education teacher training and sensitization, IEC television and radio programs, and community mobilization around child health issues, including HIV/AIDS. USAID/Zambia has further supported HIV/AIDS education targeted at youth through its successful Radio Instruction Program targeted at orphans and children in impoverished circumstances. For each half-hour segment, there is at least five minutes per segment devoted exclusively to lifeskills/HIV/AIDS education. The 15-minute interludes between lessons are used to broadcast additional HIV/AIDS-related information programs including interviews with opinion leaders, teachers, students, and workers in the fight against AIDS.

- The condom social marketing program (CSM) has been supported by USAID/Zambia since 1992. SFH has achieved national distribution through major grocery and retail stores. In the last three years the female condom has also been added. CSM targets youth and the general population, marketing condoms through wholesalers and through non-traditional outlets such as bars, *ntemba* (kiosks), guest houses, and nightclubs.

**Results:** USAID/Zambia has made strong progress in all HIV/AIDS prevention areas.

The 2001-2002 DHS and the Zambia Sexual Behavior Survey confirmed downward trends in risky sexual behavior, including partner reduction, delayed sexual initiation and an increase in condom use with non-regular partners and use in married couples. Condom sales are currently documented at approximately 11 million per year. There are many opportunities for increases in male and female condom sales through non-conventional outlets, community-based areas of distribution and government ministry workplaces.

- In targeting high-risk sub-populations, USAID/Zambia has invested considerable resources in its Cross Border Initiative (CBI) for reduction of HIV and STI transmission rates among truck drivers and commercial sex workers. The initiative includes a USAID regional initiative “Corridors of Hope”, and a USAID/Zambia bilaterally-funded program at six border sites and one internal railway site. USAID/Zambia is collaborating with JICA on this project: JICA channels funds through an implementing NGO, World Vision, that has capacity to provide drugs, train district-level staff and clinical personnel in STI case management, and provide capacity-building for NGOs working with high-risk populations. The collaboration with JICA is unique in that USAID/Zambia and JICA have successfully awarded a joint cooperative agreement for continuation of the Cross Border Initiative over the next four years and will be jointly overseeing the activity.

**Results:** The HIV/AIDS Cross Border Initiative has also shown excellent results, with 1,222 truck drivers and 5,898 commercial sex workers diagnosed and treated for STIs in the last year. The program is also reaching bridge populations in those areas with 2,095 youths having visited the CBI drop-in centers in the last year.

#### *VCT, PMTCT and Care Programs*

- Voluntary counseling and testing (VCT) is an important link between prevention programs and referral of HIV-positive persons for treatment, care and support services. USAID/Zambia has worked in collaboration with other donors (JICA and NORAD) and with Zambia VCT Services (the national coordinating body based at CBoH) to improve the coverage and quality of VCT services. All three donors contribute to strengthening the GRZ service-delivery points. JICA provides test kits, USAID/Zambia through RPM+ provides the monitoring and evaluation technical support and NORAD strengthens laboratory capacity and quality assurance through Zambia VCT Services along with providing seed grants to VCT sites. USAID/Zambia leads the activities in community mobilization, VCT promotion, counselor training and support for Positive Living Clubs (including training of PLHA's in advocacy skills). USAID/Zambia was the lead agency bringing together implementing partners to form the national Zambia VCT Partnership.

**Results:** USAID/Zambia has taken the lead among donor agencies in bringing them together in working with the NAC and CBoH to strengthen national VCT and Care, and PMTCT interventions and achieve national reach. USAID/Zambia is supporting VCT promotion nationally, providing in-depth support to VCT in 12 sites, and assisting in developing a national information system for VCT services. With the expansion of VCT sites, counseling and testing services are now available in at least one integrated facility in each of Zambia's 72 districts, with a total of 92 sites nationally.

**Results:** The VCT Partnership has identified goals and standards of care and the elements of a comprehensive VCT intervention. These include: community mobilization at district level, support for post-test clubs, promotion of Positive Living Networks and support groups, provision of test kits, HIV counselor training using the MOH-approved counselors' training module, sensitization of health staff and administrators, quality assurance, monitoring and evaluation, and IEC using multiple channels.

- Prevention of mother-to-child transmission (PMTCT) is another key intervention. USAID/Zambia currently supports PMTCT programs in four districts following a three-year pilot program in the Copperbelt Province. The intervention offers a comprehensive package of antenatal services including access to Nevirapine and AZT, accompanied by infant feeding counseling, community support and male involvement. At the national level, UNICEF, CDC, the Elizabeth Glaser Foundation's Call to Action program, and USAID/Zambia are collaborating with the GRZ to plan for expansion of PMTCT services to other areas.

**Results:** USAID/Zambia-supported health facility-based PMTCT services have increased in the past 12 months, from six sites in one district to 25 sites three provinces. Training on Nevirapine was conducted for all key clinic personnel in these sites during late 2002. The total number of women counseled as of March 2003 in the USAID/Zambia LINKAGES PMTCT program is 7,018, of which 5,732 were pregnant. Of these pregnant women, 4,038 were tested with 28% of them sero-positive. Since December 2002, 247 pregnant women have accepted Nevirapine at delivery at LINKAGES' supported sites in three provinces. Nationwide, 2011 sero-positive pregnant women have received Nevirapine or AZT. A total of 45 clinics throughout the country now offer a minimum package of PMTCT services. USAID/Zambia and its partners are giving technical support to plan the national scale-up of PMTCT.

**Results:** PMTCT demonstration projects and operations research activities have been insightful in exploring constraints and facilitating factors for interventions, for example, the work by LINKAGES in community support for HIV-positive mothers and infant feeding, and the work by HORIZONS, through the International Center for Research on Women, on stigma reduction.

- USAID/Zambia has expanded its work with faith-based partners, which began in 1996 through community and district level initiatives. Congregations of all religions currently partner with the NAC and USAID/Zambia. Faith-based fora bring together leaders and community members to plan prevention and mobilization activities.

**Results:** During 2001-02 support for faith-based programs expanded their coverage through work with the Zambia Interfaith Networking Organization (ZINGO), a leadership and coordinating body that focuses on HIV/AIDS advocacy and building skills among pastors and congregational leaders in faith-based organizations. The result of this heightened level of coordination is that all participating FBOs now have HIV/AIDS components in their programs.

- Care and support of orphans and vulnerable children (OVC) is a key component of mitigating the effect of the epidemic on Zambia society. At the community level, the USAID/Zambia-supported SCOPE program provides assistance to children and families hardest hit by the epidemic by creating economic safety nets and providing psychosocial support. USAID/Zambia's lead implementing partner, CARE Zambia, is currently supporting activities in 12 districts. In collaboration with UNICEF, USAID/Zambia's implementing partners provide technical assistance to an annual OVC conference for Zambia collaborators.

**Results:** The multisectoral activities for OVC have also been scaled up from 8 to 12 districts and from 30 NGOs/CBOs to 59. The program, including assistance with access to education and increasing household food security through income-generating activities, has now supported a total of 138,170 OVCs over a 12-month period, January-December 2002.

### **National Capacity Building and Policy Support**

- USAID/Zambia provided technical support to the National AIDS Council for the development of the National Strategic Framework for HIV/AIDS document and to a number of technical working groups including VCT and Care, PMTCT, and STI Management. The Mission supports the National OVC Steering Committee and district HIV/AIDS committees. It also provides technical support to the Country Coordinating Mechanism (CCM) for the Global Fund and co-represents the bilateral donor community on that committee.
- USAID/Zambia contributed significantly to national HIV/AIDS policy documents in the preparation of the national HIV/AIDS Bill, which passed Parliament in November 2002.
- Through PACT, USAID/Zambia has funded eight subcontracts to civil society institutions to address HIV/AIDS policy issues. Activities have included funding a media campaign to increase awareness of the sexual abuse of girls, interventions on workplace policies and programs, policy activities related to AIDS and partner notification, marriage legislation and partner rights, and AIDS discrimination. HIV/AIDS has also been included in training programs funded by DG, including those for local government and training for women in legislative drafting.
- The Mission has assisted in the development of a national Health Management Information System (HMIS) that includes STI and TB case tracking.
- USAID/Zambia, through ZIHPSERV, has provided in-service training in HIV/AIDS for nurses, midwives and clinical officers through the CBoH Integrated Competency-

Based Training (ICT) program. JHPIEGO has been helping to update the nurses pre-service training modules to include issues such as HIV/AIDS.

- USAID/Zambia is working with the POLICY Project and the International HIV/AIDS Alliance to strengthen the involvement of PLHAs in all aspects of strategic planning and program implementation. USAID/Zambia works closely with the Network of Persons Living with HIV/AIDS on institutional strengthening, including instituting monthly debates on critical issues surrounding HIV/AIDS. Working through the POLICY Project, USAID/Zambia has established a referral center in Lusaka to assist PLHAs who have experienced human rights abuses.
- USAID/Zambia addressed issues of social stigma in the community among PLHAs through its work with the International HIV/AIDS Alliance and HORIZONS. Zambia was one of the countries involved in a four-country study on NGO involvement with PLHAs, which found that hiring PLHAs as NGO management staff was one of the most effective approaches to reducing social stigma in that organization and the communities it serves. USAID/Zambia will use the findings of this study and its implications in its continuing efforts to address the multiple dimensions of social stigma. The International Center for Research on Women (ICRW) has supported community-based studies on the roots of social stigma and has developed a stigma-reduction toolkit.
- The POLICY Project has worked with Parliamentarians on advocacy issues and on preparing them for more active leadership through starting a series of briefings on HIV/AIDS issues.

**Results:** Parliamentarians are now more effectively advocating for behavior change and HIV/AIDS issues. They are also working with district and local political leaders to speak out about behavior change.

- USAID/Zambia, through PHR+, is assisting CBoH to cost HIV/AIDS interventions included in the basic package of services for each level of the health system.

#### *Prevention and Mitigation*

- Beginning in late 2002, ensuring food security among affected households became an important part of the Mission's multisectoral AIDS response. In conjunction with C-SAFE, an existing network of NGOs (Catholic Relief Services, CARE-Zambia, World Vision, and Plan International) providing food assistance and funded by USAID/Washington, assistance to vulnerable households has been initiated primarily in Southern Province. In collaboration with the World Food Program, USAID/Zambia has begun addressing the issue of food security through working to assess the food needs of vulnerable households.
- Significant activities in both prevention and mitigation have been carried out through USAID/Zambia's Economic Growth SO, using small enterprises and cooperatives as channels. These include peer education for farmers through CLUSA, widespread dissemination of condom promotion messages printed on fertilizer bags and training in agricultural and marketing skills for female-headed households. The SO has also supported research into labor-saving technologies.

- USAID/Zambia is working with employers and supporting workplace interventions at 20 worksites through the FaceAIDS program, and is targeting small and medium-sized businesses through IESC's Linkages program in Livingstone, to build their capacity to address HIV/AIDS in the workplace. The program has addressed HIV/AIDS through work with the District Business Association (DBA), the District Health Office, and other partners and has the potential to reach more businesses through the business members of the DBA and other business umbrella organizations. It is expected that the new SO5 will continue to build the institutional capacity of the private sector to expand workplace programs.
- USAID/Zambia has worked with the Ministry of Education in developing a research project to assess the impact of HIV/AIDS on Zambia's education sector and it is the lead donor in fielding the technical assistance to undertake that study. The study will examine impact of HIV/AIDS on the supply, demand, and cost of education; the content, role, process, and quality of education; and the effects on gender disparities. It is anticipated that this important study will add significantly to the HIV/AIDS dimension of the Ministry of Education's efforts and assist USAID/Zambia and other cooperating partners in targeting its resources toward the fight against HIV/AIDS more strategically and efficiently.
- USAID/Zambia's HOW Group's pilot project in Southern Province, works with the District AIDS Task Force in Livingstone to build its capacity for a multisectoral response to the epidemic. The Mission is expanding this approach, through detailed assessments by the POLICY Project of multisectoral Task Forces in Southern Province.

### ***Lessons Learned***

Lessons learned from the experience of the past five years cover both technical and programmatic issues. Major findings that should be taken into account in planning the new strategy include:

- USAID/Zambia has gained useful experience in applying a multisectoral HIV/AIDS framework across all four SOs in the current CSP (1998-2003). Cross-sectoral programming has been successfully managed through the HOW committee, including joint support for district-level programming (support to the Livingstone District HIV/AIDS Task Force to strengthen its capacity to plan, monitor and implement district-level activities). The Mission has shown that multisectoral projects can be efficiently managed at Mission level and therefore has taken steps to create a new multisectoral strategic objective.
- In the new environment of vastly increased resources from multilateral and bilateral donors, USAID/Zambia has a greater responsibility to coordinate all its program decisions and actions with the NAC and the CBOH as well as other collaborating partners. Because coordination is an increasing challenge, USAID/Zambia must designate sufficient human resources to carry out coordination effectively, while continuing to assign adequate time to manage interventions and monitor their social impact of programs.
- Integration of HIV/AIDS and reproductive health activities appears to offer expanded opportunities to achieve programmatic impact. Further analysis is, however, needed

to determine which services should be integrated at what levels of service and the training required for different health personnel. There is a danger that HIV/AIDS messages, training, and services, may not receive enough focused attention as part of integrated service delivery.

- Results from evaluation studies of the condom social marketing and behavior change communication campaigns show that mass media has been effective in delivering prevention messages to youth primarily in urban areas. Additional program components that complement mass media need to be used to reach rural youth.
- Experience from USAID/Zambia's work in VCT and PMTCT shows that USAID/Zambia can work closely with its service delivery partner, the GRZ, in strengthening service delivery by providing technical assistance.
- Currently there is a piecemeal approach to training health providers as training usually takes place through short-term in-service. A comprehensive strategy and long-term plan for institutional strengthening as well as human resource development and deployment is needed in order to address the impact of HIV/AIDS across every sector. More attention needs to be given to integrating HIV/AIDS prevention, care, support and mitigation into pre-service training.
- Implementation of the current USAID/Zambia program has brought out the need to have program management units at the provincial or district level. Managing the program largely from the center has limitations, for example in coordinating technical visits to district sites and consistent interaction with the provincial and district health management teams. It is difficult to stay in touch with the sentiments and programs in the community when all program management takes place from the center.

#### **1.4 Supporting Factors and Constraints to HIV/AIDS Programs**

**Supporting factors** that will facilitate successful implementation of a new USAID/Zambia HIV/AIDS strategy include:

- **Indicators of Behavioral Change.** There are indications that the epidemic has maintained a plateau over the last decade, and data indicate recent changes in sexual behavior. In addition, there are high levels of awareness and social mobilization, particularly among civil society groups.
- **Stable Environment.** Compare to other countries in the region, Zambia has a stable political situation. In addition, there will be a significant increase in the resources available to the Government for HIV/AIDS, given resources planned from the World Bank Multicountry AIDS Program (MAP), the Global Fund and bilateral donors.
- **GRZ Leadership.** With strong support from USAID/Zambia, the GRZ is coordinating technical theme groups that ensure technical consistency among donor programs. Government also has a strong interest in guiding the introduction of ARVs to promote compliance with national protocols.
- **Effective Partner Collaboration.** A strong partnership exists among donors and government around addressing technical interventions, such as PMTCT, VCT

and multisectoral approaches to HIV/AIDS reduction. There is also a strong consortium of USAID/Zambia implementing partners, with over 10 years of experience, built up over the years.

**CONSTRAINTS TO ACHIEVING SUCCESSFUL IMPLEMENTATION OF A NEW USAID/ZAMBIA HIV/AIDS STRATEGY INCLUDE:**

- **Economic Situation.** The economic situation in Zambia is beyond USAID/Zambia's ability to control. The economic decline increases social vulnerability to the epidemic, through increasing the need for women to use sex for survival, and worsening the ability of families and communities to cope with the effects of the epidemic and the growing number of orphans. Zambia's vulnerability to drought and food insecurity, which undermine health, exacerbates these effects and worsens the health of HIV-positive persons.
- **Human Resource Gaps.** The economic situation is also contributing to a crisis in human resources as trained health professionals leave the country for work overseas.
- **Stigma.** Stigma remains a silent but powerful barrier to fighting the HIV/AIDS epidemic. There is a lack of national-level advocacy and leadership in speaking out on HIV/AIDS and social stigma from political and religious leaders, entertainment figures and sportsmen. The continuing stigma of HIV/AIDS reduces community support for PLHA and affected households and reduces the number of those seeking services. Embarrassment and shame, linked to sexual behavior, are still strongly felt, and must be more directly addressed in focused campaigns.
- **Roles for Government and Donor Programs.** The respective leadership roles of the NAC and the CBoH need to be more clearly outlined, particularly at the provincial and district level, as the CBoH has been identified as one of the four Principal Recipients of the Global Fund resources.
- **Funding Mechanisms.** GRZ is promoting basket funding for district-level activities, supported by many bilateral donors. USAID/Zambia can only support this approach to a limited extent.
- **Cultural Norms.** A variety of local cultural norms in communities present challenges for prevention efforts, for example, in some communities cultural values promote sexual initiation rites and do not practice male circumcision.
- **STI Case Management Services.** STI management is poor and laboratory capacity for diagnosis is weak. STI drugs are often unavailable. While USAID/Zambia recognizes that STI control will not be the single solution for controlling the rate of new HIV infections, there is still much work in Zambia to be done in the diagnosis and treatment of syphilis and gonorrhea especially in antenatal settings.

## **1.5 Main Partners and Their Contributions**



Funding for HIV/AIDS is scheduled to increase rapidly in the next few years, making additional capacity building essential for the new strategy. The Global Fund will provide \$92 million for HIV/AIDS over the next five years (with \$19 million expected to arrive in very late FY2003), and this will be augmented by funds for TB and Malaria. The World Bank has made a \$42 million ZANARA HIV/AIDS grant for a five-year period to the GRZ. DFID has committed approximately \$36 million to HIV/AIDS over the next five years. Numerous other donors, including UNICEF, Ireland Aid, DANIDA, WHO, JICA, CDC, NORAD, GTZ, UNDP and UNFPA are providing funds for HIV/AIDS-related commodities and activities, though many of these donors are allocating most of their funds to the sector "basket." USAID/Zambia remains the largest single donor in FY03 with funding of \$25.5 million invested in HIV/AIDS ( Annex 6).

Donor collaboration is organized through the UNAIDS Expanded HIV/AIDS Theme Group and the UNAIDS Technical Working Group on HIV/AIDS and through donor membership in the NAC's Technical Working Groups. Donors have collaborated closely in several key planning and evaluation activities, including the inclusion of donor representatives on the Central Coordinating Mechanism for the Global Fund and the joint health sector assessment.

HIV/AIDS activities funded by donors over the past four years cover a wide range of activities. These include commodity procurement, IEC for youth, women and high-risk populations, workplace education, community mobilization, NGO networking, capacity-building and strategic planning support, OVC, VCT, teacher education, home-based care, micro-enterprise, empowerment of rural women, and HIV/AIDS policy development.

As the largest HIV/AIDS donor to the GRZ, USAID/Zambia is committed to scaling up prevention and considerably expanding HIV care and support. Collaboration with the GRZ and other donors will be increasingly important to prevent duplication of effort and foster complementarity in supporting the National HIV/AIDS Strategic Framework. USAID/Zambia has already taken a leading role in bringing the GRZ, donors, implementing agencies and NGOs together in areas such as the national Zambia VCT Partnership. This facilitating role will continue to be important and can be extended to new concerns, such as pre- and in-service training systems for health personnel.

Other US government agencies supporting HIV/AIDS interventions include the US Embassy, the Peace Corps and the Centers for Disease Control and Prevention (CDC). CDC is primarily involved in tuberculosis (TB) control, sexually transmitted infection (STI) training, and technical support for HIV/AIDS and STI national surveillance. Their activities include:

- Improving laboratory infrastructure and quality assurance for TB services;
- Implementing the directly observed therapy short-course (DOTS) methodology for TB;
- Strengthening clinical management of STIs through training and support to the National Technical Working Groups;
- Technical support to the national surveillance team; and
- Support to strengthening the infrastructure of health facilities implementing PMTCT.

The Embassy-wide HIV/AIDS Coordination Group was formed in 2000, is chaired by the Ambassador, and includes representatives from the Embassy, Peace Corps, the Centers for Disease Control and Prevention (CDC) and the Department of Defense (DOD). This group meets quarterly and serves as a place where members can share information and coordinate HIV/AIDS activities in the US Mission. It has expanded the involvement of the American community and kept HIV/AIDS on the top of the policy agenda of the Embassy. The group successfully coordinated the development and adoption of an HIV/AIDS Workplace Policy, including treatment and care for people living with the HIV/AIDS, for the US Mission.

## **2. MISSION STRATEGY**

### **2.1 Gaps and Needs in HIV/AIDS Programming**

The new USAID/Zambia HIV/AIDS strategy will respond to USAID/Zambia's identification of the current gaps in the national response to HIV/AIDS. In all programming areas – prevention, care and support, and mitigation-- there is a need to scale-up programs to reach communities with high-quality HIV clinical and support services, to tailor prevention programs even more carefully to address specific audiences, to continue upgrading health provider and NGO/CBO skills to address the critical areas of HIV/AIDS and stigma, and to involve a broader spectrum of the public and private sector in a multisectoral HIV/AIDS response. The results framework of the new Mission strategy is summarized in Annex 1<sup>5</sup>.

USAID/Zambia is well positioned to utilize large amounts of new resources, approximately an *additional* \$25 million annually that will be available through the Presidential Emergency Plan for AIDS Relief. The Mission will continue to work with the GRZ and Centers for Disease Control and Prevention in the expansion of service delivery programs, training and strengthened infrastructure that will improve access to treatment, care and psychosocial support. The Presidential Initiatives for PMTCT and ARV treatment are our high priorities in the country strategic plan. Zambia also urgently needs additional resources to expand support for an estimated 1.2 orphans and vulnerable children.

#### **Identified gaps in prevention are:**

- Access to ARV treatment in government health facilities in each of nine provinces is needed.
- Better targeted messages and programs for youth, particularly in rural areas are needed.
- Greater identification and effective program coverage of high-risk groups are needed.
- Nationwide access to PMTCT services in existing antenatal settings is a high priority.

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<sup>5</sup> See Annex 1: USAID/Zambia Results Framework, Indicators, and Illustrative Activities

- Improved quality of VCT services and more trained counselors in 103 national GRZ integrated sites are urgently needed. Comprehensive treatment, community-based care and support require urgent expansion.
- HIV/AIDS prevention programs must concentrate more on behavior change, abstinence especially among youth and address the underlying factors related to sexual behavior, such as sexual abuse.<sup>6</sup>
- Prevention and care would be fostered by greater openness in society, which is hampered at present by continuing social stigma. Reduction of stigma requires a continuous effort that combines enhancing political will to address HIV/AIDS, increasing the ability of communities to discuss HIV/AIDS openly, providing better community support to affected families and individuals, and furthering legal approaches to protecting human rights.
- Inclusion of PLHAs in program planning and implementation is still minimal.
- The findings of USAID-funded research on stigma should be translated into program activities.
- Gender issues, gender roles in sexual behavior and gender violence are a major contributing factor to the disproportionately high infection rate of young women. Women also bear a disproportionate burden of care: more effective gender analysis that is mainstreamed into program planning and implementation.

Maintaining high-quality clinic and community-based care and support services is a continuing challenge in Zambia that the new strategy will address. The Presidential Emergency Plan for AIDS Relief will provide urgently needed resources to reach clients in communities and more effectively link them to ARV therapy at facility level. At this time, very few health workers have training in HIV/AIDS clinical care and treatment. Development of a highly qualified group of providers that can serve infected individual and provide support to families in home-based care setting is essential. During the next seven years the nature of technical knowledge about HIV/AIDS treatment will likely undergo some dramatic changes. USAID/Zambia will, thus, need to support both the training of health workers in care, support and treatment as well as a program to develop a national scale-up of components focusing on treatment, care and support.

#### **Identified gaps in care and support are:**

- There is an overall need for health worker capacity development in the area of HIV/AIDS and associated opportunistic infections. Pre-service training for all cadres of health personnel in treatment of HIV/AIDS-related opportunistic infections is urgently needed. Within the present circumstances, close to one in five rural health centers have no professional staff and many more have only a single health worker. Pre-service training is largely hospital-based and does not optimally equip new health professionals for work in rural health centers. Systems also need to be put in place to facilitate regular review and updating of HIV/AIDS training content.

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<sup>6</sup> The extent of sexual abuse and its probable effect on the HIV/AIDS epidemic in Zambia has been recently studied in a report from Human Rights Watch, *Suffering in Silence* (New York, 2002)

- Currently, there is no national coordinating st

### Identified gaps in mitigation:

- Expansion of the multisectoral dimensions of HIV/AIDS program initiatives within the umbrella of the National AIDS Council in ways that strengthen HIV/AIDS responses beyond the health sector, particularly among education, agriculture, judiciary and the private sector. The sectoral impact studies being planned by each sector will provide a useful basis for the Ministry of Finance and National Planning to estimate the manpower requirements for the next decade or so, and to guide future policies and programs.
- With the substantial increase in resources for HIV/AIDS, there is a need for training and support to GRZ on resource allocation, including human resources, financial resources, and commodity procurement and distribution systems.
- There is a need for an expanded advocacy program, working with government and with key role models such as political leaders, sports figures and artists.
- Scale-up of successful OVC interventions based on lessons learned from SCOPE-OVC is needed. Given the tremendous needs of vulnerable children throughout the country, SCOPE-OVC's current coverage of only twelve districts needs to be expanded.
- Community solutions to the problem of care and support for HIV/AIDS orphans and vulnerable families require additional support. Zambia has developed a national Poverty Reduction Strategic Plan (PRSP), however, further mechanisms need to be put in place to develop long-term plans for addressing issues of food security and food production, nutrition, livelihood, occupational training and school attendance issues.

## 2.2 Strategic Concept and Objectives

The Zambia HIV/AIDS strategy, which is integrated throughout the overall country strategy plan, comprises two complementary objectives.

- The first objective is *to decrease the rate of new HIV/AIDS infections among Zambians between 15 and 24 years of age*. This objective corresponds with USAID/Zambia's SO7 objective, "Improved Health Status for Zambians" and SO9's objective, "Reduced HIV/AIDS Impact Through Multisectoral Response." The HIV/AIDS objective is also in line with USAID's global HIV/AIDS Expanded Response strategy, which aims to reduce prevalence among youth aged 15-24 and increase access for infected, pregnant women to antiretroviral prophylaxis to reduce MTCT transmission to their infants.
- The second objective is *to reduce the impact of HIV/AIDS on Zambia through a multisectoral approach*. This objective will contribute directly to the overall CSP objective, Prosperity, Hope and Better Health for Zambians. It also contributes to two of the Expanded Response goals for HIV/AIDS: Provision of basic care and psychosocial support services to persons affected and infected by HIV/AIDS and provision of community-support services to children affected by AIDS.

To achieve these two objectives USAID/Zambia will include HIV/AIDS activities within all five Strategic Objectives of the 2004-2010 CSP.<sup>7</sup> These are:

SO5: Increased private sector competitiveness in agriculture and natural resources  
SO6: Improved quality of basic education for more school-aged children, Phase II  
SO7: Improved health status of Zambians  
SO8: Government is held more accountable  
SO9: Reduced HIV/AIDS impact through multisectoral response

Achievement of the two objectives depends on a multisectoral approach involving all Mission SOs. The efforts of all sectors are needed to sustain a comprehensive approach to combating the many dimensions of the epidemic. HIV/AIDS will be mainstreamed in each sector in order to ensure that:

- the strengths of the networks and professional associations within each sector are used to deliver HIV/AIDS prevention and care interventions;
- projections for non-HIV/AIDS related results within each SO are realistic, based on analyses of the impact of the epidemic; and
- sectoral expertise is harnessed to mitigate the epidemic.

A large number of HIV/AIDS interventions will continue under SO7, including support for prevention, treatment, testing and medical care for AIDS patients; and VCT and PMTCT services. Other SOs will implement activities that have a direct bearing on their respective SOs. For instance SO6, an education SO, will support the development of HIV/AIDS multi-media content and development. It will also support improved HIV/AIDS materials and methodologies for teachers and pupils. SO8, the democracy and governance SO, will address legal issues related to HIV/AIDS and also promote public and private debate on HIV/AIDS. SO5, will address the impact of HIV/AIDS on small and medium business and on farmers and their households.

The SO9 team will coordinate and harmonize all the HIV/AIDS activities in these different sectors, function as an internal technical assistance coordination unit, and manage and implement specific multisectoral activities. In general, the SO9 team will be responsible for:

- cross-sectoral interventions such as care of OVCs and community support for affected families, manpower capacity development, addressing management and planning issues, interventions targeted at high-risk groups e.g. CSWs, youth and women;
- technical assistance to other SO Teams in mainstreaming and implementing HIV/AIDS interventions in their respective SOs, for example in implementing workplace interventions; and
- overall coordination of Mission-level reporting, monitoring and evaluation of HIV/AIDS activities.

Criteria have been developed to determine whether an HIV/AIDS activity belongs under a sectoral SO or under SO9 (see Annex 2). The decision on where to place the activity will be the responsibility of the SO9 Strategic Objective Team, which includes representatives from all SOs. Activities in the different SOs will be financed through a combination of CSD HIV/AIDS and DA funds, depending on the nature of the activity and eligibility criteria. The SO9 results framework (see Annex 1) sets out activities that will be carried out by the different SOs.

The HIV/AIDS strategy will focus on three primary target populations:

- youth targeted nationally, with an added concentration on rural youth;
- high-risk sub-populations that contribute disproportionately to increases in incidence, for example, fishing communities, the military, truck drivers, and sex workers; and
- economically and socially vulnerable households.

Within these groups, there will be a focus on women because of their greater susceptibility to infection and their social and economic vulnerability.

These target populations have been chosen to coincide with the need to reach international targets that have been established and to reflect an understanding of the particular challenges presented by the Zambian HIV/AIDS epidemic.

## **2.3 Key Intermediate Results**

USAID/Zambia has identified seven intermediate results within SO7 and SO9 that are sufficient and necessary to attain the two major objectives stated above.

SO7's goal of, "Improved Health Status of Zambians" will be achieved through three intermediate results:

- IR 7.1: Individuals, families & communities taking action for health,
- IR 7.2: Achievement & maintenance of high coverage for key health interventions,
- IR 7.3: Health services strengthened.

SO9's goal of "Reduced HIV/AIDS Impact through a Multisectoral Response" will be achieved through four intermediate results:

- IR 9.1: Reduced HIV/AIDS transmission,
- IR 9.2: Improved care and support for people living/affected by HIV/AIDS,
- IR 9.3: Strengthen capacity of key sectors to mitigate the HIV/AIDS impact,
- IR 9.4: Improved policy and regulatory environment.

By addressing these areas, Zambians may be more highly motivated to reduce risky behavior. These positive actions will be manifested in a decrease in the rate of new HIV/AIDS infections among Zambians, improved care and support for orphans and vulnerable children, for people living with HIV/AIDS, and for affected households and communities and reduced impact of the epidemic on the capacity of different sectors to deliver services and on key productive sectors, and on specific groups, such as women and vulnerable youth.

In addition, SO5, SO6 and SO8 all include HIV interventions within their strategic plans. The complete Results Frameworks and key intermediate results are presented in detail in USAID/Zambia's Country Strategic Plan. The HIV interventions will be incorporated into the IRs for these SOs, which are:

### **SO5**

- IR 5.1: Increased access to markets,
- IR 5.2: Enhanced value-added production and service technologies,
- IR 5.3: Increased access to financial and business development services,

IR 5.4: Improved enabling environment for growth.

#### SO6

IR 6.1: Improved quality of basic education delivery systems,  
IR 6.2: Improved information for efficient resource management,  
IR 6.3: Strengthened policy implementation,  
IR 6.4: Mitigated impact of HIV/AIDS on education.

Under SO 6's IR 6.4, the Mission's program will address the impact of HIV/AIDS on the education system through multi-faceted prevention programs for both pupils and teachers.

#### SO8

IR8.1: Rule of law enhances accountability, 8.1.1: Improved criminal justice system,  
8.1.2 laws and policies reformed,  
IR8.2: Citizens and civil society organizations demand accountability,  
IR8.3: Effective oversight institutions.

## **2.4 Rationale and Critical Assumptions**

The development hypothesis underlying the HIV/AIDS strategy is that addressing the HIV/AIDS epidemic, which is having a devastating impact on all sectors, institutions and Zambia's ability to achieve sustainable development, requires a multisectoral response. Interventions will be directed at national, district and community levels and across all sectors in which the Mission is working. This multisectoral approach builds on USAID/Zambia's experience in working across its Strategic Objectives in the previous Mission strategy and on the Mission's experience of managing multisectoral interventions through the HOW Group.

To maintain USAID/Zambia's partnerships and its role as a catalyst in the health sector, major components of the new strategy will continue to be implemented through SO7, which will receive the greatest share of HIV/AIDS funds. A long-term objective of USAID/Zambia's health strategy is to strengthen the GRZ's and civil society's capacity to scale-up effective, high-quality services to achieve global goals for reaching the population. USAID/Zambia will work with government national, provincial and district teams, NGOs, faith-based organizations, traditional leaders and the private sector.

As noted, the vastly increased funding levels (particularly from the World Bank, the GFATM, the President's Emergency AIDS Plan and bilateral donors) and the number of donors involved in HIV/AIDS programs means that USAID/Zambia is no longer the only major donor for HIV/AIDS, though it remains the largest. USAID/Zambia's previous role as a catalyst to support studies, introduce new methodologies and technical approaches, and disseminate them through interaction with GRZ Ministries, Technical Working Groups, and other planning bodies will continue to be essential in all sectors. It also means that strong partnerships and clearly specified donor roles are needed to avoid ineffective use of financial resources.

To achieve its first objective (to decrease the rate of new HIV/AIDS infections among Zambians among 15-24 year old), USAID/Zambia needs to expand and intensify its existing programs in order to measure a reduction in new infections among the young. This will contribute to the global goal for countries with a generalized epidemic of reducing the prevalence of HIV by 50% in



those aged 15-24. USAID/Zambia's objective will be achieved by working in multiple sectors, particularly in health and education, to affect the attitudes, norms, and sexual behavior of both rural and urban youth and of those who influence or interact with them.

To contribute to the global goal of reaching 80% of the population with a minimum package of services by 2007, USAID/Zambia will work with the GRZ and donor partners to further define standards of care scale-up and expand services in VCT, PMTCT, and clinical and home-based care and support services between 2004–2007 and continuing to the end of the strategy in 2010.

There is a need for a more comprehensive institution-based approach to cope with the shortfall in human resources. USAID/Zambia, in collaboration with other donors, will intensify its work with the GRZ on supporting health systems at the national and district levels, and promoting long-term capacity assessments and training plans in all sectors. These activities will contribute directly to the overall CSP objective, Prosperity, Hope and Better Health for Zambians.

To achieve its second objective (to reduce the impact of HIV/AIDS on Zambia through a multisectoral approach), the Mission will significantly expand its HIV/AIDS work with all sectors. This will include an expanded multisectoral approach to assess the impact of HIV/AIDS on individual sectors; to expand entry points for HIV/AIDS prevention; to promote the reduction of social stigma; to reduce risky behaviors among truck drivers, sex workers, and fishermen; and to work with communities to support orphans and vulnerable children.

The following assumptions are critical to achieving the proposed results:

- The GRZ will remain committed to the fight against HIV/AIDS and strengthen its role in HIV/AIDS prevention, care and mitigation.
- Funding for USAID/Zambia programs will be maintained at current or increased levels.
- Social and political stability will continue.
- The economic situation will stabilize and not decline further.
- Current donor funding patterns will continue, and government will have the absorptive capacity to use World Bank/MAP global and bilateral funds; donors will also continue to work collaboratively to define areas of activity.
- Commodity procurement will be continued under current mechanisms and expanded to keep pace with the scaling up of VCT/PMTCT/ARV and other programs.
- African Growth and Opportunity Act (AGOA) regulations on compulsory licensing will not be rescinded.
- Food shortages will not be exacerbated by severe drought.

## **2.5 Special Concerns and Programmatic Implications**

Interventions will be planned taking into account the following major concerns:

**Stigma.** A major constraint to achieving lower levels of HIV infection and to improving care and support is the high level of social stigma in Zambia associated with HIV/AIDS.

USAID/Zambia has made significant steps in trying to understand and practically address social stigma in the past two years.

The new strategy provides an opportunity to develop a comprehensive set of interventions to deal much more pro-actively and concretely with social stigma. These could include: (1) a national-level campaign to reach both high-level leaders and the general population through frequent discussion and messages in the media; (2) work at the community level to increase community understanding and identification with PLHAs; (3) a program focused on health-worker roles in addressing social stigma; and (4) work with faith-based organizations to use their leadership in reducing stigma. The campaign will emphasize both high-level advocacy and activist public responses to this issue.

**Gender inequities.** Gender and power issues are of particular concern in a country with high HIV/AIDS and a declining economy. Using sex for survival, or for educational or professional advancement, appears to be a common practice. Rates of infection among young women continue to rise in many parts of the country, particularly in urban areas, and indicate an urgent need to find new, more effective ways to empower them to protect themselves. Older women frequently lose economic assets due to property-grabbing following the deaths of husbands. Gender and policy issues in relation to HIV/AIDS will receive attention in the work of all SOs.

**Special needs of rural youth in low-prevalence settings.** Interventions for youth in low-prevalence rural setting are a special need in Zambia. Recent surveillance data show that youth in many rural settings need continued involvement in programs that empower them to delay sexual activity. These programs should involve key family members who may reinforce social norms of abstinence.

They should also target other powerful individuals (such as teachers) who can affect the sexual behavior of rural youth, and identify and work with youth associations and other institutions that affect rural youth. These include church groups, young farmers' associations, parent-teacher associations, etc.

**High-risk populations.** Given the continued high prevalence rates in Zambia, it is important to analyze and refocus a comprehensive set of interventions with high-risk populations. Many such groups, such as youth in the transport industry, fishing communities, small-scale traders, and the police and military, mobile civil servants are not being effectively targeted.

Under the current country strategy, USAID/Zambia is supporting behavior change and STI programs targeting high-risk populations in seven locales, six of which are border sites, and one an in-land transport hub. Activities at these sites target commercial sex workers and their clients-- who include long distance truck drivers, money changers, construction workers, mini bus and taxi drivers, and cross border traders. These activities will be continued and enhanced in the new country strategy to ensure that adequate STI services are provided to the identified high risk subpopulation. During expansion and with increased funding from the Presidential Emergency Plan for AIDS Relief, non-border sites where long distance truck drivers stop along the transport corridor will be targeted with prevention messages and treatment information.

In the new country strategy and with increased financial support anticipated for HIV/AIDS, intervention work with high risk subpopulations will be expanded to include non-border sites in urban areas. The primary target for these activities will be commercial sex workers and their clients in high-risk settings like bars and night clubs. Fishing camps in Northern and Luapula Provinces will also be targeted. Behavior change messages and condom promotion will be key activities. Under these programs, efforts will also be made to insure that STI services in the public sector are improved to increase accessibility by these target groups. USAID/Zambia currently has data from some high risk groups of commercial sex workers and truck drivers along its borders. The data from December 2002 show that there are 824,930 commercial sex workers and 3,444 truck drivers to be served through health facilities and outreach services. These high risk clients need STI presumptive treatment, STI case management follow-up, and partner involvement in treatment, care and risk reduction. Many of these high risk clients are still reluctant to learn their HIV status. Motivational interventions need to be developed so that high risk individuals will seek out VCT services and be linked to ARV treatment and continuing condom education.

Currently, the STI program along Zambia's borders is reaching approximately 18% of the high risk population with prevention and peer education messages. In Livingstone, an estimated 32% of the high risk population has received treatment for syphilis and 20% have received treatment for gonorrhea.

Prior to the initiation of the new strategy, USAID/Zambia will support a study to identify those communities at greatest risk and design a more comprehensive set of interventions along major transport corridors into the interior and in Lusaka. The new national surveillance data indicate that Kapiri Mposhi in Central Province, Lusaka and Mongu town in Western Province may have key groups of high risk individuals that are not being reached by current interventions.

**Orphans and their caregivers.** Zambia has not yet completed a national policy on orphans and vulnerable children, which is urgently needed. At present, many different agencies and their community partners are engaged in dialogue on community issues but government leadership is still needed to realize a formal policy. USAID/Zambia and UNICEF partner with the Ministry annually to hold a National OVC Conference.

USAID/Zambia's implementing partner in OVC work, SCOPE, has the capacity to expand OVC support activities and share lessons learned with other OVC partners in the country. A higher level of coordination of national OVC activities is planned by faith-based and NGO partners. SO9 will play a key role in national expansion. Additional financial and human resources through the Emergency Plan for AIDS Relief can be programmed in Zambia beginning fiscal year 2004. USAID/Zambia will continue to work with the Ministry of Youth, Sports and Child Development to reach final agreement on national policy and to ensure that long-term planning on the future for OVC is put into place. USAID/Zambia will continue to work with UNICEF on children's rights, on the realization of the new policy of universal education, and on food security.

**Care and Support for People Living with HIV/AIDS.** USAID/Zambia has sponsored the completion of a major study on PLHA involvement in civil society efforts to address HIV. USAID/Zambia has adopted a new internal workplace policy and has completed discussions and costing for a health package that ensures access to ARVs for

employees. The Mission is therefore well positioned to take the lead in a new strategy that involves PLHA in the development, planning, and implementation of programs.

The Mission will consider encouraging contractors to include PLHAs on their management and implementing staff. USAID/Zambia will also strengthen its support to the network of PLHAs through strengthening the ZNP+ national office, building the capacity at district level and training network members in effective techniques for advocacy and social action.

Impact of HIV/AIDS on the labor force. Both private and public sector workplaces are experiencing severe impacts due to labor loss from HIV/AIDS. Prior to the new strategy, USAID/Zambia will work with agriculture/private sector, education and health to measure the impact of HIV/AIDS more accurately. Sector impact studies will be completed in agriculture, health, education, judiciary and tourism. The education sector will carry out an impact study through using a southern African firm to conduct an assessment of HIV/AIDS on the education sector. Impacts among teachers, pupils as well as mid-level management staff in the Ministry of Education will be assessed. This activity will provide the first systematic national documentation of HIV/AIDS impacts. A study on the impact of HIV/AIDS in the health and agricultural sectors, "Social and Economic Impact Assessment of HIV/AIDS in Zambia" will also be carried out by Boston University in 2003. Similar impact studies in the judiciary and tourism sectors will be completed in 2004.

## **2.6 Major Planned Interventions**

In light of new possibilities of USG resources for expanded programs in HIV treatment, care and support as well as prevention, USAID/Zambia, CDC, Peace Corps and the Department of Defence Attache's Office are developing a new strategic vision for HIV/AIDS programs in Zambia. Building on the achievements of the current USG Mission-wide HIV/AIDS Coordinating Committee, the USG is well prepared to work together as a strong team in providing a wide range of strategically planned HIV/AIDS interventions under the President's Emergency Plan for AIDS Relief. The new HIV/AIDS strategic vision includes an even higher level of national advocacy led by the American Ambassador and USAID/Zambia's Mission Director. USAID/Zambia/ CDC and Peace Corps will work at a new level of planning and coordination to ensure national coverage of program activities and that access to treatment and prevention programs have community-level impact. This new HIV/AIDS strategic vision is evolving as the key USG agencies in Zambia prepare for a higher level of coordination and HIV program implementation. Our collective expertise and our expanded multisectoral HIV/AIDS program can give even stronger support to the GRZ in its battle against HIV/AIDS.

During 2003, CDC and USAID/Zambia have already exhibited a high level of coordinated work on the new Presidential PMTCT Initiative. Additional areas of involvement for all USG partners have been identified to give support to seropositive mothers, their partners and children in communities. With CDC expertise in TB, planning for quality laboratory services, training in STI control and comprehensive data management and USAID/Zambia vast experience in prevention, social marketing, HIV/AIDS policies, training and systems strengthening, USAID/Zambia is fully prepared to absorb additional resources.

In addition to the new areas of program work, USAID/Zambia will continue to fund programs where the Agency has a comparative advantage based on its track record and expertise. These include social marketing, using mass media for behavior change, interventions with youth in rural as well as urban areas, multisectoral impact mitigation, operations research, and documentation through national surveys<sup>8</sup>. The Mission will work with the GRZ and other donors to leverage funds to support these interventions. Other donors will join with USAID/Zambia in supporting implementation of technical interventions where they have financial resources as well as experience (e.g. JICA for laboratory support, UNICEF for PMTCT, CDC for TB, NORAD and JICA for VCT).

### **National Expansion of Access to HIV Treatment and Care**

The SO7 team envisions new opportunities to greatly expand access to HIV care and treatment services under the President's Emergency Plan for AIDS Relief. USAID/Zambia has been working closely with the GRZ in the development of new national guidelines on HIV/AIDS treatment. A national strategic plan for comprehensive, treatment, care and support has been drafted and is currently under expansion. National Guidelines for HIV treatment have been drafted and will be dissemination in late 2003. USAID/Zambia and its experienced contracting partners in HIV/AIDS (FHI, International AIDS Alliance, RPM Plus, JHPIEGO and Abt Associates) will continue to build on their work carried out in 2002 and early 2003 in conjunction with the National Technical Working Group on Treatment and Vaccines, the Central Board of Health and the National AIDS Council. In developing its successful Global Fund proposal for HIV expansion in January – February 2002, Zambian government and NGO partners worked with the technical support of the USAID and its partners on the further development of feasible models and plans for HIV/AIDS treatment, care and support.

In 2002-2003 Zambia carried out a Needs Assessment of Care and Support with financial support from USAID/Washington. The activity was implemented with technical support from Family Health International (FHI) and the National Technical Working Group on VCT and Care. The results of this study are providing highly useful information on the needs for expanding training in HIV clinical care. The needs assessment documents that access to treatment is a major issue confronting rural and urban communities. Infected persons currently seek treatment outside the country in the Republic of South Africa or through a few high-cost private clinics in Zambia's capital city.

The Global Fund for AIDS, Malaria and TB is proving to be a major national catalyst for addressing more concretely the urgent needs for expanded access to care in Zambia. USAID/Zambia is supporting the GRZ financially and technically as it moves from assessments of HIV care needs, to the drafting of strategic plans and, most recently, to piloting clinical service delivery. At present, two pilot treatment sites managed by the Central Board of Health at Ndola General Hospital and University Teaching Hospital are underway. Client adherence has been high. Clinicians and hospital administrators have embraced new opportunities for training and treatment with enthusiasm.

The Presidential Emergency Plan for AIDS Relief will provide resources urgently needed for improving access to treatment to the over one million adults and children living with

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<sup>8</sup> Specifically the DHS and the Zambia Sexual Behavioral Survey

HIV/AIDS. With strong leadership and technical support, USAID/Zambia will support both the national expansion plan for HIV treatment, care and support and will nurture a number of smaller innovative initiatives to achieve a high quality of comprehensive care and adherence to drug regimes.

**The National Plan.** The Ministry of Health envisions the development of nine Centers of Excellence for HIV Treatment and Care with one in each of Zambia provinces. The two current HIV treatment centers will first be expanded to a total of four and then to nine provincial centers. The Provincial Health Office in each province will work with the Central Board of Health and the National AIDS Council to ensuring high quality VCT testing, drug supplies and support. VCT services, now totaling 103, have already been initiated in each of the nine provincial centers as well as many districts. USAID/Zambia through JHPIEGO and other partners are currently supporting the expansion of HIV care training for physicians, clinical officers, nurses and midwives. These centers will provide HAART therapy identifying eligible clients through existing VCT centers and provincial laboratories that will have the capacity to carry out CD4 counts. The nine centers of treatment are geographically situated within Zambia so that all high risk populations including sex workers, truck drivers, military and police, sexually active youth and persons with multiple partners can access information, treatment and care. Sex workers in Zambia are highly mobile moving back and forth between border crossing, Lusaka and small towns. Community support program and home-based care are needed in each of the 72 districts.

**Comprehensive Voluntary Counselling and Testing as Gateways to Treatment and Care.** In 2002, USAID/Zambia through its partners began supporting community mobilization and VCT promotion. It has brought together GRZ clinical, peer educator, community mobilizers and PLHAs to encourage adults and youth to learn their HIV status. In Zambia, integrated VCT services are conceived as critical entry points to the comprehensive continuum of care. USAID/Zambia has been supporting the development of high quality VCT services in government facilities settings since 2001. With the total number of VCT sites now over the 100 mark, access to confidential counseling and testing has been greatly improved.

SO7 will also focus particularly on taking a leading role in training clinical staff in clinic-based HIV care as well as comprehensive care and support services that will have programmatic reach into communities. With additional financial support through the Presidential Emergency Plan for AIDS Relief ARVs can be offered to clients identified through PMTCT programs and VCT services. By the end of 2005, Zambia currently plans to have 3,000 persons on ARV therapy. Additional financial resources will allow for staff training and the purchase of drugs to treat an additional 2500 to 4,000 clients. The Country Coordinating Mechanism for the Global Fund is currently working with the Central Board of Health and collaborating partners to carry out resource mapping so that expanded infrastructure, human capacity and new drugs for treatment can be planned in a coordinated way for the nine provinces.

**Resources to Support Expansion of Care-Giver Teams.** Multidisciplinary teams of nurses, midwives, physicians, laboratory technologists, medical social workers, psychosocial counselors and lay counselors are needed to support the scale up of Zambia's National Treatment Plan. Resources from the Emergency Plan for AIDS Relief are needed to ensure that case management is supportive and that adherence to treatment regimes is high. At the community level, USAID/Zambia will rely on its

extensive network of faith-based and NGO partners to support community hospice centers and ambulatory care.

**Planning and Strengthening Laboratory Services.** USAID will work with CDC and other collaborating partners in support of the GRZ to plan the scale-up of high quality laboratory services. Enhanced training for laboratory technicians and ensuring a consistency in laboratory supplies through a national data base system are high national priorities. USAID/Zambia has already begun implementing training in the use of the new national tracking system. At present, TB laboratory services are being strengthened with USG resources. Only two public medical facilities are able to carry out CD4 counts.

**Care and Support.** In 2003, USAID/Zambia carried out a solicitation among experienced Zambian NGOs and faith-based organizations for the expansion of existing care and support services with an additional \$1.7 million program investment. New care and support activities centered in communities will be underway by the end of 2003. These experienced partners are working with community partners such as the Catholic Diocese and Salvation Army to improve home-based care. The Zambia Mission needs additional resources through the President's Emergency Plan for AIDS Relief to strengthen the training of home visitors who assist in care and support. Under the national treatment expansion plan, community support for adherence to TB and ARV drug regimes is required.

SO7 will also continue to promote prevention through social marketing and mass communication campaigns. At the national and provincial levels, USAID/Zambia will continue to support the CBoH and the NAC's Technical Working Groups. At the district level, USAID/Zambia will scale-up its activities to support District HIV/AIDS Taskforces to improve quality of VCT, post-test clubs, and PMTCT, and to increase their acceptance at community level.

In light of the rapid changes in technologies it is critical that those partners selected to implement technical interventions are able to take a leadership role in adapting and applying new developments to the situation in Zambia. New technologies and refinement in existing technologies such as VCT, are likely to take some of these interventions in unexpected, innovative directions; USAID/Zambia and its partners will and must remain flexible and ready to adapt strategic approaches to these advances.

PMTCT will be an important component of scaling up the national response to HIV/AIDS. Through the LINKAGES Project, USAID/Zambia was one of the first agencies to establish a program focusing on aspects of PMTCT, as part of a community-based intervention to improve antenatal care for HIV positive women in Ndola. The GRZ has developed a national strategy to scale-up PMTCT services along with a minimum package for PMTCT services. As a major component under SO7, USAID/Zambia has formed a strategic alliance with UNICEF to support the expansion of PMTCT services.

In the Education, Agriculture and Democracy and Governance sectors, planned interventions will also expand on the strategic approach and activities that have already been established. In Education, USAID/Zambia will expand the support it has given the Ministry under BESSIP through increasing the channels available for HIV/AIDS prevention activities, and working with communities to integrate HIV/AIDS into overall health education, link health with nutrition, and support community responses for orphans and vulnerable families.

The Agriculture sector will expand its support to HIV/AIDS prevention through its partners in agricultural companies and associations in order to address the issues of mitigation through such approaches as adapting agricultural technologies to address the reduction in labor availability and labor skills, and identifying and supporting vulnerable families.

Democracy and Governance will also continue to strengthen current interventions. The program will contribute to an improved policy and regulatory environment for HIV/AIDS through briefings and workplace programs for Parliamentarians and partner Ministries and in continuing to provide grants to SOs to address legal issues related to HIV/AIDS.

### ***Planned Approaches***

USAID/Zambia will continue to strengthen major interventions in:

- Behavior change communication in all sectors targeted at youth, high-risk, and rural populations, including interpersonal communication and mass media activities; the program will continue to emphasize the “ABCs” approach to behavior change
- Community empowerment and mobilization to increase demand for and access to health services
- Condom social marketing
- ARV treatment, care and support supported by the Presidential Emergency Plan for AIDS Relief
- Scaling up improved STD case management, including presumptive treatment of STIs for selected high-risk sub-populations
- The expansion and improvement of comprehensive voluntary counseling and testing services and post-test support through strengthening government and NGO responses
- Scaling up prevention of mother-to-child-transmission services
- Support for orphans and vulnerable children
- Greater involvement of PLHAs
- Strengthened advocacy among faith-based organization
- Capacity-building with traditional leaders
- Employer-based workplace programs
- Policy and advocacy activities
- Operations research
- Support for sector-wide approaches (SWAPS)
- Documentation of best practice, monitoring and evaluation
- Expanded use of IT technologies in order to empower districts and provinces
- Human resource development to successfully deliver the HIV/AIDS care package at district level, including training, supervision, and tracking systems
- Systems development

New interventions and program developments will take place in the following:

- Training multidisciplinary teams of health care workers in treatment, care and support
- Mitigating impact among vulnerable populations, with an emphasis on legal issues



- Food security for households and communities affected by HIV/AIDS, using Title II food aid resources and addressing nutrition issues
- Clinical management of HIV/AIDS, including training for health providers on management of ARVs
- New national database management systems for PMTCT and VCT
- Development of an expanded package on Home Based Care and training for community workers
- Development of a strategy to address the role of male circumcision in HIV/AIDS prevention

Illustrative activities that will contribute to the global goals include:<sup>9</sup>

## **HIV PREVENTION**

### ***Behavior Change Communication***

- A comprehensive behavior change prevention framework will be developed for (a) youth (b) high-risk populations, and (c) general populations. The framework will address the need to reach core groups; to target and harmonize messages appropriately with the “ABC” range of prevention messages; to involve institutions, particularly faith-based groups, in influencing social norms; and to deliver continuous prevention messages through multiple channels.
- A focus on peer networking and social network approaches to influence societal norms;
- Working with the National AIDS Council and other partners to establish a National AIDS Hotline; and
- A research-based national advocacy strategy to reduce social stigma with leadership from national political and church bodies.

Interventions for specific target groups will include:

### ***Targeting youth and those who influence them:***

- Continuation of the mass media program to reach urban youth;
- An additional expanded prevention program for youth in rural areas, based on more strategic communication strategies and greater synergy between adolescent reproductive health programs and HIV/AIDS interventions for youth; Sixty percent of Zambia’s population resides in rural areas. This program will be developed to augment the ongoing behavioral change communication campaigns that have good coverage in urban and peri-urban communities.
- More comprehensive, community-based programming to work with key influencers for youth at community level, particularly in rural areas, including faith-based organizations and parent associations; work with local media; and identification of and work with youth Anti-AIDS Clubs and national youth associations with rural and urban reach;
- HIV/AIDS prevention activities for school-going children and youth, including development of curriculum materials, expanded support for Anti-AIDS Clubs, expanded use of broadcast and communication technologies for HIV/AIDS knowledge and awareness campaigns, expansion of grass-roots and community-based approaches for supporting the mitigation of HIV/AIDS’ effects on the education of children;

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<sup>9</sup> See Annex 8 for a detailed description of current programs and proposed interventions under the new strategy.

- Using new entry points to reach youth, particularly those in rural settings, by mobilizing each sector beyond health at a very high level; and
- Targeting those who influence youth's sexual behavior, particularly older men, to reduce intergenerational sex.

### ***Targeting High-Risk Groups and the General Population***

At the seven locales where USAID/Zambia partners are implementing high risk interventions, baseline data from 1999 documented 45,365 commercial sex workers and 9,939 truck drivers (FHI 1999). USAID/Zambia is currently working with Family Health international to re-measure the total number of high risk individuals that pass through and frequent border sites. Many sex workers are highly mobile and move between Lusaka and various border town. Truck drivers can most easily access voluntary counseling and testing and ARV treatment programs through employee-based programs in towns such as Lusaka where their home offices are located.

A more comprehensive focus on high risk group will be possible with new human and financial resources from the Emergency Plan for AIDS Relief. USAID/Zambia will play a leading role in assessing the numbers and seasonal activities of men and women involved in the fishing sector of the economy. Components of expanded high risk group interventions will include:

- Expansion of the cross-border initiative to address other high-risk core transmitter populations including fishermen and female fish traders in Northern and Luapula Provinces, commuter and taxi drivers, nationally, and market women in major towns and Lusaka;
- Strengthen approaches to the empowerment of sex workers to support their families; and
- Continue targeting the general population with prevention messages to affect social norms, reduce risky behavior, promote faithfulness and reduce the number of partners.

A key challenge in Zambia is that high risk individuals are often not geographically localized.

USAID/Zambia has recently identified resources to carry out a "Place" study in Western Province Zambia where national surveillance data shows that infection rates are rising. As part of this study high risk groups will be identified and their numbers estimated.

### ***Condom Social Marketing***

- Refine targeting and distribution of CSM to go beyond a general population approach to reach populations at high-risk, focusing on non-traditional outlets including locations associated with high-risk subgroups;
- Make greater use of community and NGO-based distributors;
- Greater focus on documentation of condom use, rather than solely focusing on condom sales; and
- Continue support for social marketing of the female condom and identify better ways to promote its use among high-risk populations and youth.

## **IMPROVED AND EXPANDED TREATMENT, CARE AND SUPPORT SERVICES**

### ***STIs***

- Case management of STIs needs strengthening nation-wide. The new strategy will give a heightened level of attention to identification and treatment of STIs;
- Collaborating with CDC, USAID/Zambia will revisit the current syndromic management algorithms and engage in dialogue with the CBOH to determine if presumptive treatment should be expanded;
- Expanded health worker training based on validation studies, which will be completed in 2003; and
- Explore the options for social marketing in the use of STI self-treatment kits.

### ***Voluntary Counseling and Testing***

The expansion and improvement of comprehensive HIV counseling and testing services, with VCT services, HIV counseling and testing in the clinical care settings and HIV counseling and testing within PMTCT sites through strengthening government and NGO responses will be a high priority of the new strategy. At present, all PMTCT sites have VCT services as a part of antenatal care. These integrated services for comprehensive antenatal care have been a part of Zambia's planned VCT expansion since 2001.

- Working with the Zambia VCT Partnership and the National Working Group on VCT and Care to support a continued emphasis on the quality of services;
  - The expansion and improvement of the provision of and referral to post-test care, support, including psychosocial support, and treatment for HIV counseling and test clients, through strengthening government and NGO responses.
- Expansion of Positive Living Clubs to provide post-test support to People Living with AIDS through training; positive living advocacy, including mothers' support groups, youth support groups, and support to bereaved families; income generation and microfinance activities; and support to counselors;
- Expansion of community mobilization and education activities, which involves the community in establishing their priorities for an effective VCT service using processes through which community members internalize the value of confidentiality, partner support, partner testing, and community care services. Monitoring this intervention to track the extent to which mobilization leads to greater use of services will be important; and
- Strengthening linkages across SOs to promote VCT and follow-up services through all SO networks and involve those networks in the community response to VCT.

### ***Prevention of Mother to Child Transmission of HIV***

Under the strategic PMTCT alliance between USAID/Zambia, Central Board of Health, CDC, Elizabeth Glaser and UNICEF, USAID will utilize funds from the Presidential PMTCT initiative and the Global to achieve a national expansion of PMTCT programs in

government and private antennal sites. An essential element in the alliance will be a high level of coordination with CBoH. By the end of the new strategy in 2010,

Using new financial resources from the Presidential Emergency Plan for AIDS Relief, USAID/ Zambia through SO7 will provide assistance to dramatically increase access to treatment, care and support for PLHAs and their families. USAID will provide high level leadership in strategic planning and coordination to join with the Central Board of Health, the National AIDS Council, CDC and the Global Fund to fully realize high quality care that will improve the lives of infected persons.

With technical and financial support from SO7 and its partners, nine national centers for ARV treatment, counseling, and care are planned with the new availability of resources from the Emergency Plan for AIDS Relief and the Global Fund. A pilot ARV program led by the Central Board of Health is underway in two provincial centers.

USAID/Zambia is well positioned to continue to work with the Catholic Diocese, Salvation Army, Churches Health Association of Zambia and Kara Counseling on innovative treatment, care and support programs that have reach into rural communities.

Additional components of the HIV treatment, care and support program are:

- Strengthened partnerships through the District AIDS Task Force between public health, hospital, private, faith-based, non-governmental and community-based organizations and providers of comprehensive care and support;
- Support the inclusion of the elements of the national care and support package in pre-service training;
- Work with DHMTs to develop quality assurance systems for care and support;
- Promote accessible facilities to address the needs of HIV asymptomatic people such as reproductive health, nutrition, healthy life styles, and preventive therapies;
- Promote and support training activities for each care provider cadre reflecting specific needs in care and support;
- Collaborate with other partners to ensure expanded drug availability, in particular of anti-fungals, strong analgesics and antiretrovirals;
- Promotion of government action on fee exemptions relevant to HIV/AIDS;
- Availability of guidance materials and national policies and standards for HIV/AIDS at all health facilities and HIV/AIDS programs; and
- Monitoring and health management information systems in place for HIV/AIDS care and support activities.

Financial resources from the Emergency Plan for AIDS Relief can be immediately absorbed by USAID/Zambia partners who are working closely with PLHAs and their families.

### **ARVs**

Officially, the GRZ hopes to provide 10,000 doses of ARVs during the next three years with additional support from collaborating partners. There is current discussion indicating that priority will be given to pregnant mothers and their partners where appropriate. Zambia has one PMTCT Plus program in Lusaka that began in mid 2003. Formal criteria for ARV eligibility still need to be clarified through work with CBoH, health facilities and the NAC. USAID/Zambia, UNICEF and Elizabeth Glaser/University of Alabama are providing ARV prophylaxis as part of the minimum package of their current PMTCT initiatives. The Global Fund will likely provide additional resources for ARVs in 2004. The GRZ has issued initial ARV policy guidelines, but extensive training of clinical

staff and the systems to provide support for ARV treatment are required. It is expected that the GRZ will circulate a new draft of the ARV treatment strategy by December 2003. Limited quantities of ARVs are currently being provided through a small pilot in two locales, one through the University Teaching Hospital in Lusaka and the second through Ndola General Hospital.

USAID/Zambia will take a major role in documenting provincial implementation of ARVs. For example, USAID/Zambia could support documentation of adherence to drug systems and the needs for social support associated with ARVs. These activities that link research, documentation and service delivery build on USAID/Zambia's prior experience in documenting and developing service delivery and supportive systems for PMTCT and VCT services.

### ***Training and Systems Support for Clinical Services***

- Work in health facilities with GRZ technical working groups to standardize and improve the quality of VCT, PMTCT, STI services and treatment;
- Providing training for health providers and community workers in home-based care, clinical management of opportunistic infections, and STIs;
- Strengthening community involvement in and support for PMTCT, VCT, referral services, post-test club support;
- Strengthened referral systems across services, including linking TB-DOTS activities with VCT and integrating PMTCT activities with VCT and reproductive health services;
- Work with other donors to leverage support for drug provision. Where appropriate, USAID/Zambia may become directly involved in the procurement of condoms (Example: USAID's Global Condom Procurement Mechanism) and test kits;
- Continuing support for improved commodity forecasting and distribution systems; and
- Health systems strengthening through management and technical assistance at the provincial level at selected sites. The assistance would focus on needed expansion and documentation to deal with increased TB and HIV-related activities.

## **Reducing the Impact of HIV/AIDS**

### ***Increasing the capacity for long-term planning***

- Support for impact assessment and ongoing monitoring of the impact of the epidemic in the health, education, tourism, judiciary and agriculture sectors;
- Expanding the number of multisectoral District AIDS Task Forces and building their capacity to develop and monitor cross-sectoral plans to address the impact of the epidemic at the district level; and
- USAID/Zambia is looking into the possibility of helping the Ministry expand its efforts to turn the teacher training colleges into hubs of HIV/AIDS technical assistance and resources, serving both as resource centers and sponsors of HIV/AIDS outreach programs to educators and schools throughout their provincial catchment areas.

### ***Expanding activities***

- Expand workplace prevention programs in the private and public sectors, using entry points in industry, agriculture, and at the community level;

- Identify and review health and burial insurance options, and savings plans for businesses and the self-employed; and insurance options for microfinance loans;
- Enhance the role of microfinance in mitigating the impact of HIV/AIDS through expanding revolving loan funds and including a component of technical training in microfinance programs;
- Continued support of civil society organizations to review specific issues related to legal and human rights and how these are affected by HIV/AIDS;
- Increase the political commitment of key stakeholders in the public sector, such as members of parliament, key government committee members, and local government;
- Promoting less labor-intensive crops, technologies, and systems, based on improved data on the relative economic and nutritional benefits of crop choices;
- Expanding the use of farmer groups, individual businesses, business associations and community groups as avenues for interventions to promote behavior change, identify vulnerable households and link them with community services, and strengthen community support for households at risk; and
- Nutritional support activities for families affected by HIV to be addressed by relevant district bodies.

## 2.7 Geographic Focus and Scale-up

**National Level.** In the new strategy a group of key HIV/AIDS interventions will be implemented on a national scale. They are: (1) condom social marketing; (2) health system strengthening; (3) youth mass media campaigns; (4) HIV/AIDS integrated training; and (5) support to the National AIDS Council. These activities will include advocacy, policy development, and the development of protocols, tools and guidelines.

**Provincial Level.** USAID/Zambia is prepared to support the GRZ through technical assistance at the provincial level. The technical assistance mechanism will be created in a flexible manner so that GRZ requests can be accommodated as needs arise. Some technical support staff will likely be de-centralized. Current technical capacity at provincial level is limited.

**District Level.** As noted above, USAID/Zambia's existing program has a variety of interventions in a number of different geographic areas. In the past two years, USAID/Zambia has begun the process of consolidating these initial intervention sites to deliver a more comprehensive group of interventions, but at several sites interventions are still focused on one or two technical areas. At district level, USAID/Zambia will also act as a catalyst to strengthen key public health interventions and supervision systems.

A principle of the new program should be to plan for the convergence of prevention, care, and mitigation services within a defined geographic area whenever possible. A rigidly-defined plan to introduce comprehensive programming into particular geographic areas will not be appropriate, however, because of the existing mix of interventions and strategies, and because of the need to balance the GRZ's principle of equity in service delivery with USAID/Zambia's commitment to targeting as well as other resources.

In determining how best to scale-up program activities at the district level, and how to consolidate activities to deliver a comprehensive HIV/AIDS program, USAID/Zambia will consider the following criteria:

- The priority geographical areas and high-risk populations for HIV/AIDS interventions set out in the National HIV/AIDS Strategic Framework (2000) to reach high-risk populations and high prevalence areas.<sup>10</sup>
- The different needs and therefore appropriate geographical focus for interventions in prevention, care and support (including treatment, VCT, and PMTCT), support to orphans and vulnerable children, and other mitigation interventions.
- The need to differentiate between the geographical focus for PHN and HIV/AIDS activities. The health and population program seeks to expand quality services to rural communities. HIV/AIDS initiatives focus on high-risk group and large population centers in high infection areas and on youth prevention activities.
- Practical and logistical concerns, including the credibility and relationships built up by USAID/Zambia's implementing partners in areas where programs are now operative. The Mission's previous work in capacity building of local district management teams and NGOs is a strong basis for further expansion into nearby districts.
- Migration patterns and relationships between urban centers and rural areas, which create needs for increased care and support in the rural areas.

Based on these criteria and depending on agreement from the CBoH, the Mission is initially planning to scale-up activities using the following approach:

- Expand prevention activities targeted at high-risk populations at additional sites along transport corridors, particularly those in Copperbelt region.
- Advocate for an early roll out of PMTCT, VCT, and expanded care programs to areas of high prevalence, to ensure a comprehensive group of services, e.g. to areas in and around Lusaka, Livingstone, Chirundu, Kazungulu, Nakonde, Chipata, Kapiri Mposhi, Mongu and along the transport corridors.
- Expand multisectoral prevention, care, and mitigation activities, including the expansion and strengthening of District AIDS Task Forces to districts in the Southern and Eastern Provinces that are contiguous to the border areas where USAID/Zambia is already working.
- Expand activities among high-risk populations where HIV/AIDS has risen over the past four years.

## 2.8 Implementation Modalities

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<sup>10</sup> These are: Lusaka, Copperbelt, districts along the main trucking routes, districts with defined fishing areas, districts with large numbers of seasonal workers, districts with displaced and refugee populations, and cross border towns.



This section describes the implementation modalities for SO9 and SO7. Mechanisms to carry out activities under SOs 5, 6 and 8 are described under the relevant SOs in the CSP document. As previously stated, activities in the different SOs will be financed through a combination of CSD HIV/AIDS and DA funds, depending on the nature of the activity and eligibility criteria.

### **SO7**

SO7 Improved Health of Zambians: SO7 is planning a new set of procurements for bilateral agreements under the new strategy. These agreements will be complimented by appropriate central-level activities accessed through Field Support and other central mechanisms. A guiding principle for all partners and units will be collaboration, coordination, and synergy and language to this effect will be included in all solicitations. Another procurement planning principle will be striking a balance between a reasonable number of management units and specific program needs. We anticipate having an opportunity of participating in the Presidential Emergency HIV/AIDS Plan. Zambia is prepared to absorb large amounts of new resources for treatment, care and support. One major change will be an effort to consolidate the SO's HIV/AIDS activities. As an HIV/AIDS Rapid Scale Up program and with increased resources in this area, SO7 feels strongly that many of the HIV/AIDS activities would benefit from being more formally coordinated and consolidated. Among the benefits of this approach will be better support to the kind of program scale up required, facilitation of reporting to all stakeholders, improved communication and coordination of partners' activities, and reduced management units for the SO.

SO7 is considering accessing USAID/Washington commodity arrangements for condoms and family planning products and is watching with considerable interest the development of an expanded commodity acquisition arrangement for HIV treatment and care. SO7 also intends to continue supporting long-term training in public health, with a focus on institutions in the region and within Zambia.

### **SO9**

SO9 Reduced HIV/AIDS Impact Through Multisectoral Response: The SO Team currently expects to implement the program through various implementing mechanisms including contracts and cooperative agreements as well as central mechanisms including IQCs and Leader Associates. All partners will be encouraged to form consortiums with other U.S. and Zambian firms, and/or local NGOs and U.S. PVOs. Activities will be implemented for: 1) Multisectoral HIV/AIDS interventions that contribute to systems strengthening for district, provincial and national coordinating structures, workplace programs and TA to other SOs; 2) behavioral and STI control with high-risk groups in border sites and transport hubs; 3) strengthening community responses to support for OVCs, PLHAs and community and home-based care; and 4) provision of food aid and livelihood options to vulnerable households and youths.

### **3.0. RESULTS AND REPORTING**

#### **3.1. MAGNITUDE AND NATURE OF EXPECTED RESULTS**

USAID/Zambia has adopted the goals as its targets for the year 2010, as follows:

- A reduction of 50% in prevalence among youth aged 15-24
- 50% of HIV positive mothers receiving a complete course of antiretroviral prophylaxis to reduce HIV transmission to their infants
- Provision of basic care and psychosocial support services to at least 50% of HIV-infected persons
- Provision of community-support services to at least 40% of children affected by AIDS.

#### **GOALS FOR THESE INDICATORS BY MID AND FINAL STRATEGY ARE:**

- HIV prevalence in population aged 15-24: Baseline: 8% in 2001/2; 2006: 5%; 2010: 3%
- At least one PMTCT site delivering the PMTCT minimum package in each of Zambia's nine provinces; by 2010: 50% of sero-positive mothers (who have tested and received results) receiving Nevirapine and care and support, and 50% of their infants receiving NVP drops
- Provision of community-support services to children; goal of reaching nearly 60% by 2010

These national-level results are not USAID/Zambia's sole responsibility, but can only be achieved in collaboration with the GRZ and other donors. Baseline data on prevalence that has been established by results of the 2001-2002 Demographic and Health Survey will allow the Mission to track reduction in HIV/AIDS progress at provincial and national levels; baseline data on service provision will be provided from annual program implementation reports and facility-based assessments.

#### **3.2. Country Reporting and Performance Indicators and Targets**

USAID/Zambia will measure impact and outcome results through indicators under all strategic objectives. Reporting will be coordinated by the SO9 office, which will work with each sectoral SO to set up a timely data collection system and to ensure that indicators are compatible and can be combined in the overall data reports.

#### **IMPACT INDICATORS**

Illustrative indicators have been selected to measure program impact:

- HIV prevalence in 15-24 age group
- Median age of first intercourse among population aged 15-19
- Percentage of population aged 15-24 reporting non-regular sex partners who used a condom at last sexual contact
- Percentage of OVCs receiving support
- Reduced absenteeism in workplaces

- Percentage of population aged 15-49 reporting non-regular sex partner over past year

### **OUTCOME INDICATORS**

Illustrative outcome indicators have been selected for HIV/AIDS activities under all SOs, for example:

- Number of PLHA receiving treatment, care and support services through health facilities and workplace care programs, including ARVs (SO5/6/7)
- Percentage of high risk population reporting an STI in border sites (SO9)
- Percentage of people with knowledge in HIV prevention under workplace programs (All SOs)
- Condom availability (SO7)
- Percentage of young people aged 7-14 with knowledge of HIV/AIDS prevention (SO6)
- Median age at first sex (SO6/7)
- Number of people reached with STI services, including high risk non-border site groups (SO7)
- Percentage of population aged 15-49 who report having had an HIV test (SO7)
- Number of affected people receiving adequate quantities of food aid (SO9)
- Percentage of HIV-positive pregnant women having access to PMTCT services (SO7)
- Number of public/private debates held on HIV/AIDS (SO7/8)
- Number of community initiatives receiving support to care for OVCs (SO9)
- Number of law enforcement agents, judges & magistrates trained in proper enforcement & interpretation of the law in light of HIV/AIDS (SO8)
- Number of districts with active HIV/AIDS coordinating structures (SO9)
- Number of youths having access to livelihood options (SO9)

Indicators for HIV/AIDS outcomes will be further developed for all SOs. Contractors will be required to provide timely semi-annual reports that show progress against outcome indicators. USAID/Zambia will develop a Performance Monitoring Plan that includes a schedule for data verification.

The Mission will add a new indicator to assess VCT services and will develop indicators to measure care and support services and service quality. USAID/Zambia will also develop a participatory approach to assessing the success of community empowerment and community interventions with orphans and vulnerable children, which could be implemented in selected districts in three provinces.

### **3.3. Contribution to International and Expanded Response Goals**

The international goals for HIV/AIDS are goals for the national HIV/AIDS program. Donor coordination through the UNAIDS Expanded HIV/AIDS Theme Group, the UNAIDS Technical Working Groups, and coordination with the GRZ through the NAC's Technical Working Groups will be required for joint planning and evaluation of overall national achievements and of donor contributions to reaching international goals.

USAID/Zambia expects that the new strategy will make a significant contribution to achieving the international goals for HIV/AIDS. In 2001 USAID's global HIV/AIDS

strategy “the Expanded Response” categorized Zambia as a rapid scale-up country. This is a select group of countries (four currently, three in Africa) that show potential to turn around the epidemic in a relatively short time period. The rapid scale-up countries will receive relatively high budgets and are expected to show dramatic changes in program coverage within one to two years.

In regard to service coverage, USAID/Zambia can immediately utilize PMTCT Presidential initiative resources to strengthen our collaborative work with the GRZ, UNCEF, and CDC to expand PMTCT services, and will take the lead in community empowerment and mobilization strategies to increase use of PMTCT services. Basic care and support needs to be expanded in Zambia and again USAID/Zambia will work in collaboration with other donors to increase coverage and maintain quality services in these areas. USAID/Zambia and its implementing partners are ready to launch expanded training initiatives at pre-service and in-service level using the new HIV/AIDS training modules that are scheduled for completion by November 2003.

The Mission has taken the lead in working with communities to provide support for orphans and vulnerable children through SCOPE-OVC and expects to make a major contribution to the global goal of reaching 25% of children affected by AIDS with community-support services. This means reaching an estimated 250,000 children as of 2002, with the goal of reaching nearly 500,000 by 2010 with services that can be shown to make a difference to their lives. Under the Presidential Emergency Plan for AIDS Relief an additional 10% of all new financial resources will go towards a national scale-up of our current OVC program.

USAID/Zambia’s role will be to continue to act as a catalyst in pioneering community support approaches. USAID/Zambia will also work with the GRZ and other donors to promote national policies that support the nutrition, education, and care of OVCs and thus contribute to long-term development.

Collaboration with other donors in systems support and training for district-level staff in planning, budgeting, implementing and reporting on activities will be required in order to carry out intensified HIV/AIDS activities at the district and community level and reach global goals.

### **3.4. Planned Surveillance, Surveys and other M&E activities**

Baselines and targets at the goal and SO level will be measured through national data and surveys, including:

- The biennial Zambia Sentinel Surveillance Survey, which measures HIV prevalence among antenatal clinic attendees at 24 rural and urban sentinel sites.
- The biennial Zambia Sexual Behavior Survey, which measures knowledge, attitudes, and sexual practices at the national level, including age at first sex, number of partners, and condom use.
- The DHS Survey of 2001/2002 provides data for the HIV/AIDS strategy baseline. The DHS is repeated every five to six years.

At present, the Society for Family Health maintains regular data on condom outlets and numbers of condoms sold and has carried out research to assess the effectiveness of its

media campaigns. The Johns Hopkins University has also implemented studies to assess the reach and effectiveness of its communication efforts. Similar studies to assess impact will be implemented in the new strategy but augmented by evaluation of the effectiveness of communication with rural populations.

USAID/Zambia will work with all contractors to ensure that a rigorous monitoring and evaluation plan is developed, activities to establish baselines are set in place within the first years of the strategy, and a data verification system is set up. Monitoring data will be collected through annual reports from collaborating agencies and NGOs.

## 4. RESOURCES

### 4.1. Expected Levels of Program Funding, Staff, and OE

#### *Program Funding*

In the country strategic paper submitted to Washington, USAID/Zambia indicated that a medium scenario annual funding level of \$30 million is required to carry out the Mission's overall HIV/AIDS activities under the new CSP. The Mission's commitment to HIV/AIDS prevention, treatment, care and mitigation is expressed in a high level request including Presidential Emergency AIDS Relief funding of an average annual funding level of \$55 million. Four to six million dollars of P.L. 480 Title II resources have also been requested for SO9 to address food security related activities for the targeted vulnerable groups in the short-term. In addition, and not indicated in the tables below, some HIV/AIDS prevention activities (for example, inclusion of HIV/AIDS in the inter-active radio education) will be carried out by each SO using DA funds.

Requested HIV/AIDS program funding for each sector/SO per year is as follows:

#### MEDIUM INCREASE SCENARIO

HIV/AIDS (in \$millions)	FY04	FY05-FY09	FY10	FY04-FY10	AVR for 7 yrs
SO5	1.75	8.75	1.75	12.25	1.75
SO6	1.75	8.75	1.75	12.25	1.75
SO7	17.00	100.00	19.50	136.50	19.50
SO8	0.50	2.50	0.50	3.50	0.50
SO9	9.00	60.00	8.00	77.00	11.00
Total	30.00	180.00	31.50	241.00	34.50
PL 480 Title II	4.00-6.00	20.00-30.00	4.00-6.00	28.00-42.00	4.00-6.00

With a medium increase scenario HIV/AIDS Child Survival Funds FY 04 resources will be invested approximately as follows:

HIV/AIDS Care and Support	\$6.5 million
HIV/AIDS Prevention, Multisectoral	11.5 million
Children Affected by HIV/AIDS	2.5 million
PMTCT	3.5 million
Policy analysis and System strengthening	5.0 million
HIV/AIDS Surveillance and Documentation	1.0 million
Total	30.0 million

STATUS QUO (LOW) SCENARIO BUDGET. Assumes level funding FY 04 - FY 10. Baseline is proposed budget for FY 03 in budget tables attached to "Stepping up the War," April 2002.

HIV/AIDS (in \$millions)	FY04	FY05-FY09	FY10	FY04-FY10	AVR for 7 yrs
SO5	.80	4.00	.80	5.60	.80
SO6	1.00	5.00	1.00	7.00	1.00
SO7	15*	75*	15*	105*	15*
SO8	.20	1.00	0.20	1.40	0.20
SO9	8.00	37.5	7.5	52.5	7.5
Total	25.00	125.00	24.5	171.5	24.5
PL 480 Title II	4.00-6.00	20.00-30.00	4.00-6.00	28.00-42.00	4.00-6.00

At this funding level, USAID/Zambia would be forced to reduce the level of effort in all sectors. Clearly, this would have a corresponding reduction in the anticipated impact and actual results.

#### **Expansion (High) Scenario Budget.**

This high scenario assumes a marked increase in funding levels through support from the Emergency Plan for AIDS Relief. A recommended baseline for FY 2004 is \$55 million.

#### **Zambia's Participation in Presidential Initiatives**

As USAID prepares to demonstrate even higher levels of program performance results under the Presidential Emergency AIDS Plan including the PMTCT scale-up, increased resources can markedly enhance the national coverage of current HIV/AIDS programs and provide urgently needed resources for treatment, care and support.

**Increased Budget for Presidential Initiative on PMTCT.** In 2002, USAID/Zambia was also named as one of fourteen target countries under the President's Prevention of Mother and Child Transmission Initiative. As such, Zambia has been notified that it can expect to receive approximately \$4 million (\$3.0 for USAID/Zambia and \$1.0 for CDC) in additional resources for an 18 month period beginning in 2003, to be earmarked for prevention of mother to child activities. USAID/Zambia is working in close collaboration with CDC to implement this initiative. Existing PMTCT partners have been consulted and notified of expectation of additional PMTCT funds to reach the Central Board of Health's goal of at least one PMTCT service delivery center in each of Zambia's nine provinces. USAID/Zambia, along with CDC, has submitted its Initial Program Plan and its Initial Obligation Plan for PMTCT expansion and has received very positive feedback from the Work Stream review committees.

#### **Increased Budget for the Emergency Plan for AIDS Relief.**

USAID/Zambia is currently able to program considerably higher levels of HIV/AIDS resources in HIV prevention, treatment and care and support. The table below summarizes a careful revision of a high increase scenario in light of recent announcements of the President's Emergency Plan for AIDS Relief including PMTCT, which will focus largely on HIV treatment and a significant strengthening of HIV care.

HIGH INCREASE SCENARIO. This high scenario assumes a marked increase in funding levels through support from the Emergency Plan for AIDS Relief. A recommended baseline for FY 2004 is \$55 million.

HIV/AIDS (in \$millions)	FY04	FY05-FY09	FY10	FY04-FY10	AVR for 7 yrs
SO5	3.00	15.00	3.00	21.00	3.00
SO6	3.00	15.00	3.00	21.00	3.00
SO7	34.5	172.5	34.5	241.5	34.5
SO8	0.75	3.75	0.75	5.25	0.75
SO9	13.75	68.75	13.75	96.25	13.75
Total	55.00	275.00	55.00	385.00	55.00
PL 480 Title II	4.00-6.00	20.00-30.00	4.00-6.00	28.00-42.00	4.00-6.00

New resources for HIV/AIDS in the past have been welcomed but the need still far outstrips available resources. If higher funding levels materialize through the new Presidential Plan for AIDS Relief, there are clear, large gaps to be filled. The most urgent of these areas of need are in building a team approach to treatment and care, ARV delivery and logistics systems, national PMTCT service delivery and training, continued stigma reduction, health provider training and community and home-based care. USAID/Zambia could expand its scaling-up of planned interventions (work with high-risk groups, provision of improved clinical services, and community responses to the needs of OVC).

#### 4.2 Results with Higher Level of Support

With higher levels of support, USAID/Zambia could expand its planned HIV/AIDS activities in a staged approach to achieve national coverage. Utilizing funds from the current priorities of the Presidential Emergency Plan for AIDS Relief, USAID/Zambia plans to invest 55% of new HIV/AIDS resources in treatment and training of health workers to achieve a high level of clinical services in nine provincial treatment centers geographical spread throughout the country. The skills and number of health providers including enrolled nurses, midwives, clinical officers, and physicians urgently need upgrading in order to improve quality of HIV/AIDS services and to manage ARVs. Building the capacity of providers to adopt a team approach to serving HIV-infected persons and their families is urgently needed if access to HIV/AIDS treatment is to be realized.

**Improved VCT Uptake as a Key Gateway to Care.** Additional funding under the President's Emergency plan for AIDS Relief would significantly improve performance results and program coverage. For example, numbers of persons tested would increase from the current level of 14% to 40% by 2007 and to 55% by 2010.

**National Expansion of Access Treatment, Care and Support.** By 2007, the combined USG effort currently expects to expand access to treatment, care and support among 14% of the 1.2 million Zambians living with HIV/AIDS. A high level of financial support under the Presidential Emergency Plan will allow USAID/Zambia and its USG partners to exceed its current target of 10% of the population with access to treatment and care. With this level of new inputs, Zambia will be able to reach 18% coverage by the year 2010.



**National Expansion of comprehensive PMTCT services.** With additional financial support and a collective partnership, Zambia will be a leader expanding PMTCT services nationwide. By the end of the calendar year 2003, Zambia will have at least one major PMTCT center in each of its nine provinces. With additional financial support, it will be able to achieve a markedly improved rate of PMTCT counseling for antenatal attendee to reach 95% by 2007. By 2010, Zambia can cover 65% of antenatal women with the minimum PMTCT package. This goal surpasses current international targets.

**Increasing Support to Vulnerable Children.** With an expanded set of financial resources, 10 percent of the new budget under the Presidential Initiative will be allocated for support to orphans and vulnerable children. With a heightened level of collaboration between SO6, SO7 and SO9, the expanded USG team and its partners will ensure that 50% of vulnerable children are in schools and that 45% of vulnerable children are supported through household and community care by 2007 and 50% by 2010. The four main pillars of the OVC support will be psychosocial support, income generation, improved access to education and child protection. Faith-based organizations and NGOs will be mobilized to a higher level to ensure that young children have access to primary school education.

**Strengthening of Laboratory Services.** Both CDC and USAID have recognized that Zambia needs additional technical support to improve the quality of reference laboratories in the country. Considerable additional capacity in 7 provinces is required to successfully manage new cohorts of seropositive clients who will be on ARV treatment with support from the Global Fund, the Emergency Plan, and collaborating partners. Strengthening of five provincial laboratories with quality assurance plans will be carried out by 2007. District level capacity to manage HIV and TB clients through enhanced data management and laboratory systems can be expanded from 10 to 22 districts. With additional funds from the Emergency Plan training laboratory staff will be in place in the nine provinces and 22 districts by 2010.

**Human Capacity Building.** The essential foundation of expanded access to treatment and care in Zambia is increased human capacity building. USAID/Zambia can commit to training 160 additional health professionals through strengthened pre-service training and 85 additional physicians at the University of Zambia, School of Medicine by 2007. Additional President's Emergency Plan resources will ensure that new training modules are prepared and integrated into current clinical training curricula. Nine five-persons multi-disciplinary health teams are needed to manage the comprehensive care and treatment of HIV/AIDS clients at provincial level the frontline clinical team. With immediate financial assistance from new resources in 2004, USAID/Zambia can deploy is implementing partners to accomplish this urgently needed task by 2006 rather than delaying until 2008.

**Enhanced STI and HIV Operations Research.** Applied studies on treatment, best ways to improve ARV adherence and ways of linking presumptive TB treatment to the nationally accepted HIV treatment package are needed. At present, STI treatment and control receive relatively little attention in Zambia. Documentation of health workers capacity to follow current syndromic management protocols will be a high priority with additional funding. Additional operation research will be needed to determine the most successful ways to achieve TB and ARV adherence among clients who live relatively greater distances from medical facilities. Additional research is need to document most

effective ways of training health providers to maintain high levels of confidentiality and help reduce the barriers associated with social stigma.

Higher levels of coordination between the Global Fund initiatives and USG Mission-wide interventions will be possible with the addition of key staff members available to link with the Central Board of Health, the national AIDS Council and USG-sponsored programs.

### ***Staff and OE***

Workforce and OE levels will need to be increased to support the expanded HIV/AIDS activities. The new Multisectoral HIV/AIDS SO (SO9) will require a new SO Team. USAID/Zambia is interested in recruiting a new HIV/AIDS TAACS to be Team Leader for this SO.

SO9 will also include a US/TCN PSC food aid specialist to manage PL480 Title II resources aimed at HIV/AIDS vulnerable populations. There would also be three FSN professionals, including shifting an HIV/AIDS specialist position from the current SO3 (the Health sector), and shifting the Mission's HIV/AIDS Multisectoral Coordinator into SO9, as well as the creation of a third FSN professional position on the team.

Currently there are two USDH officers in SO3, the Office Director and Deputy Director.

The proposed new staffing pattern for SO7 (health) and SO9 (multisectoral) is:

At the proposed higher funding level, additional technical staff and office space would be required to manage an expanded technical program with high levels of financial resources.

#### **SO7: Improved Health Status**

- 1 USDH Team Leader
- 1 USDH (NEP?) or US/TCN PSC
- 1 FSN Professional
- 3 TAACS/Fellows
- 2 FSN AAS

#### **SO9: Multi-Sector HIV/AIDS\***

- 1 TAACS HIV/AIDS/(US PSC)\*
- 1 US/TCN PSC\*
- 3 FSN Professionals (of which 1\*)
- 1 FSN AA\*

\* = new position/office

The USG team in Zambia is ready to work closely with USAID/Washington, CDC-Atlanta and the Department of State to achieve a particularly high level of program performance. Progress in Zambia by 2007 and 2010 will be noteworthy and will serve as an example for what can be achieved in other southern African countries that have been severely impacted by the epidemic.

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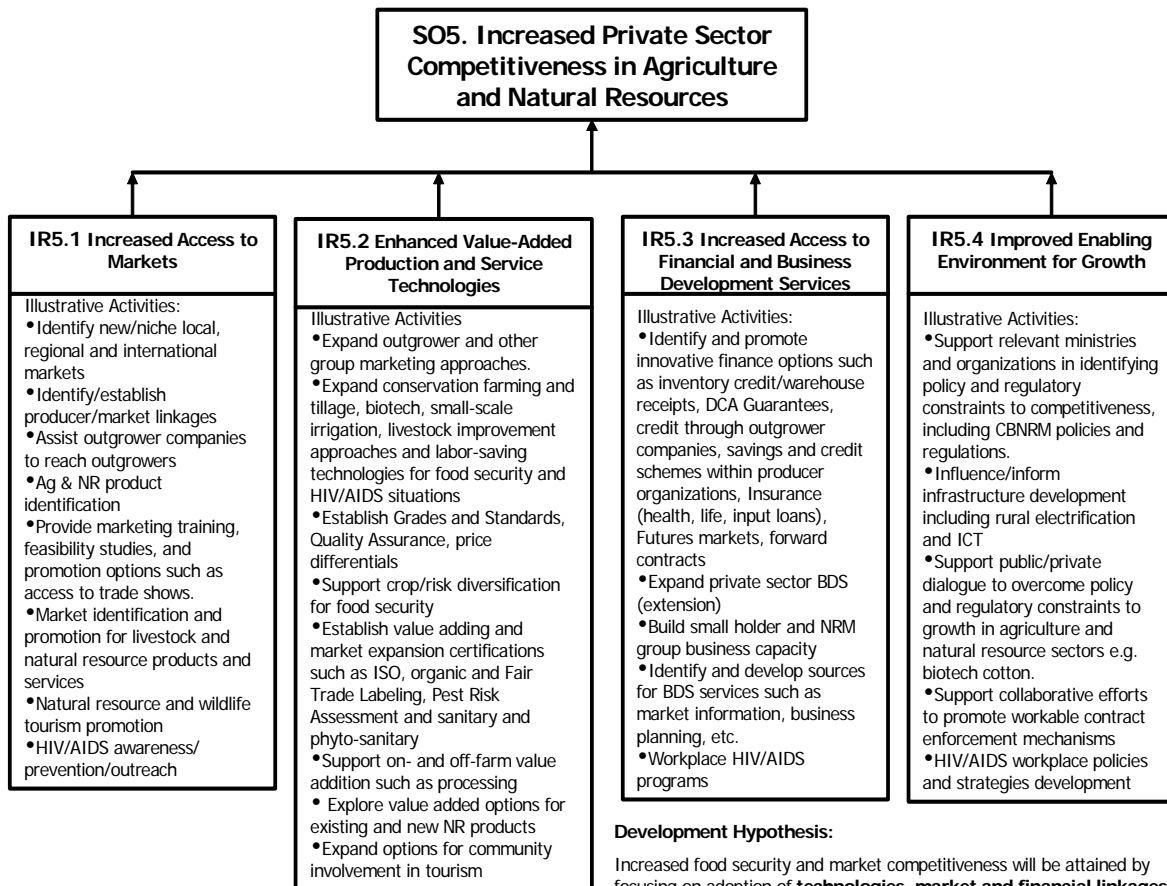
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## **ANNEXES**

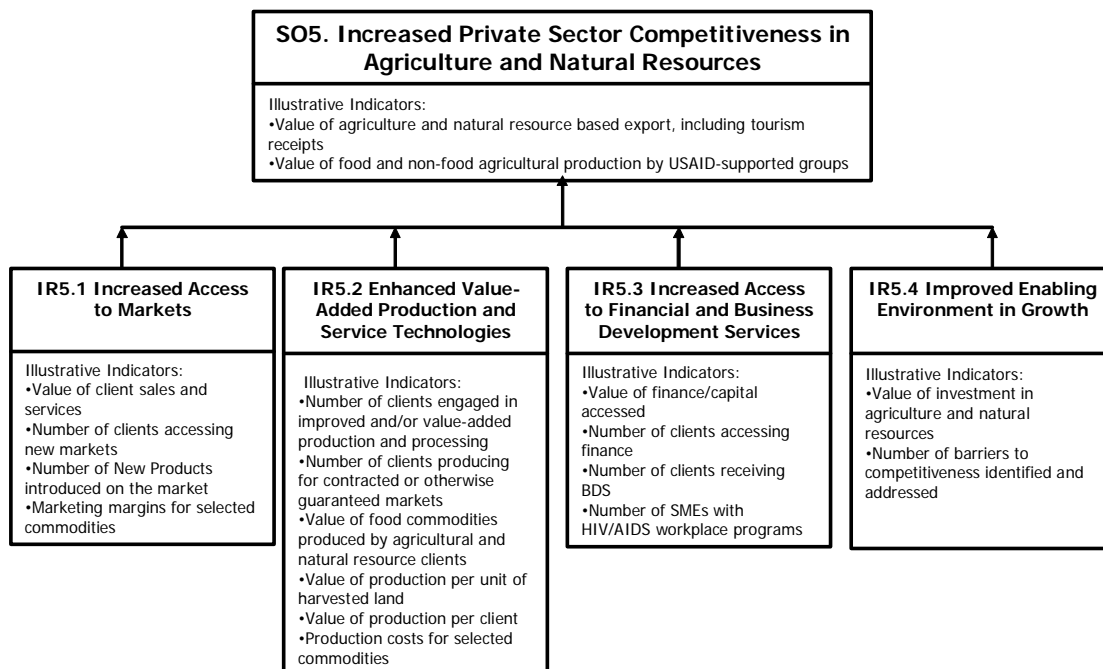
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## Annex 1

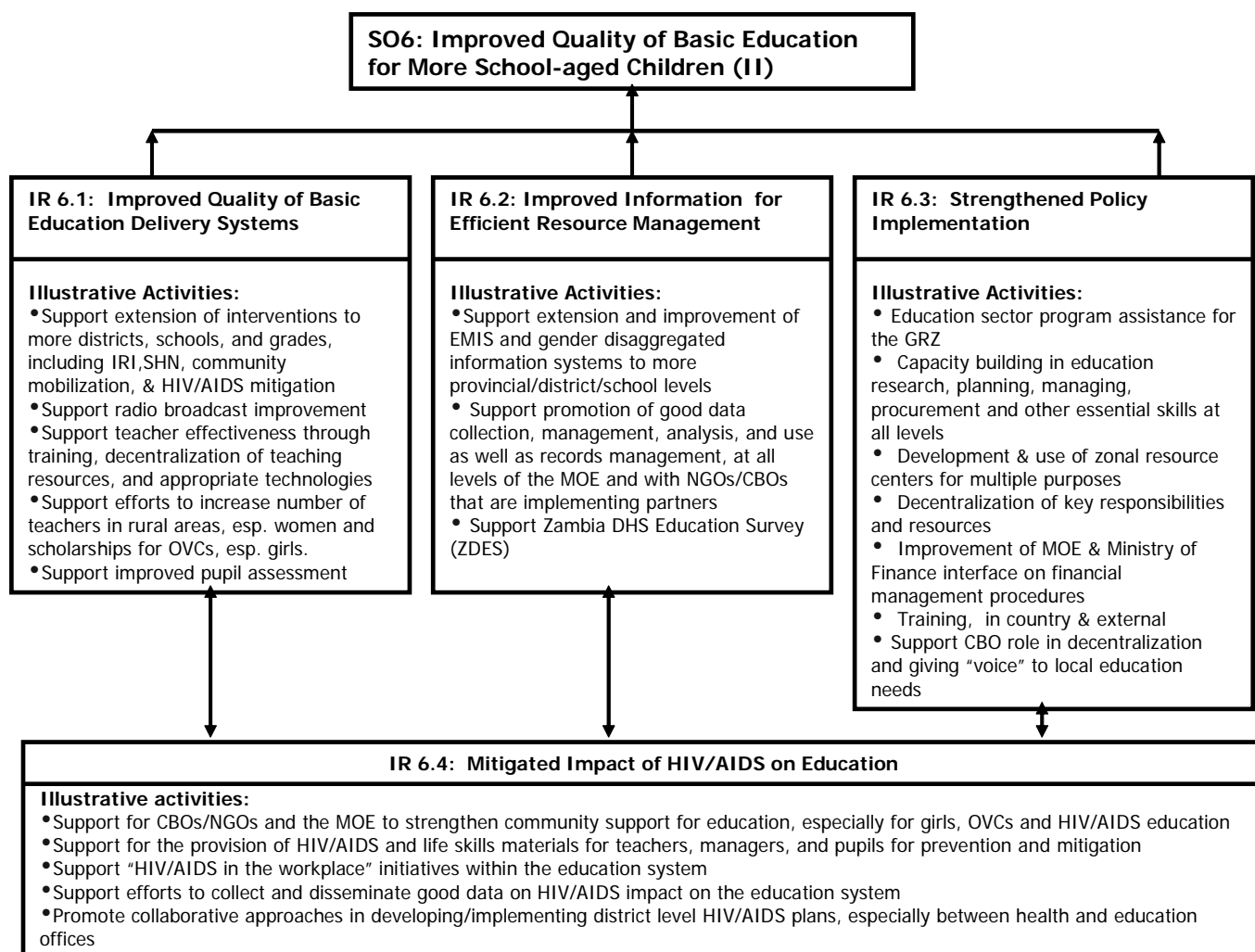
### ECONOMIC GROWTH SECTOR RESULTS FRAMEWORK



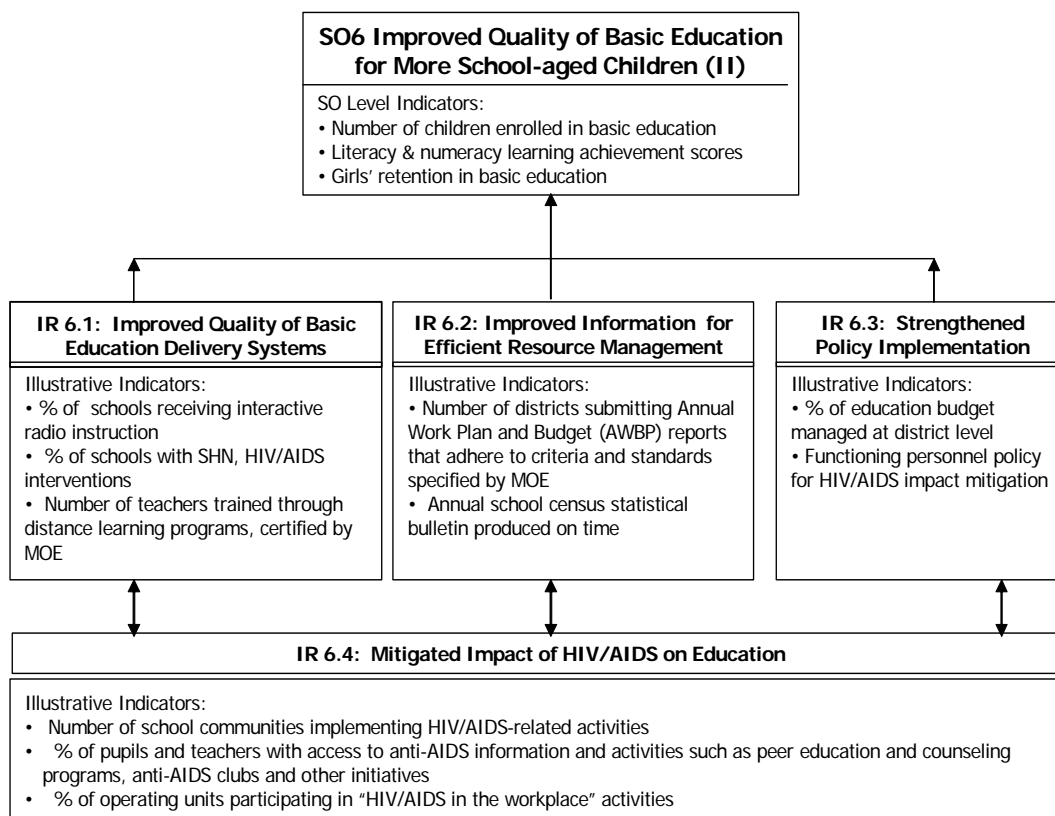
## ECONOMIC GROWTH SECTOR RESULTS FRAMEWORK



## BASIC EDUCATION SECTOR RESULTS FRAMEWORK

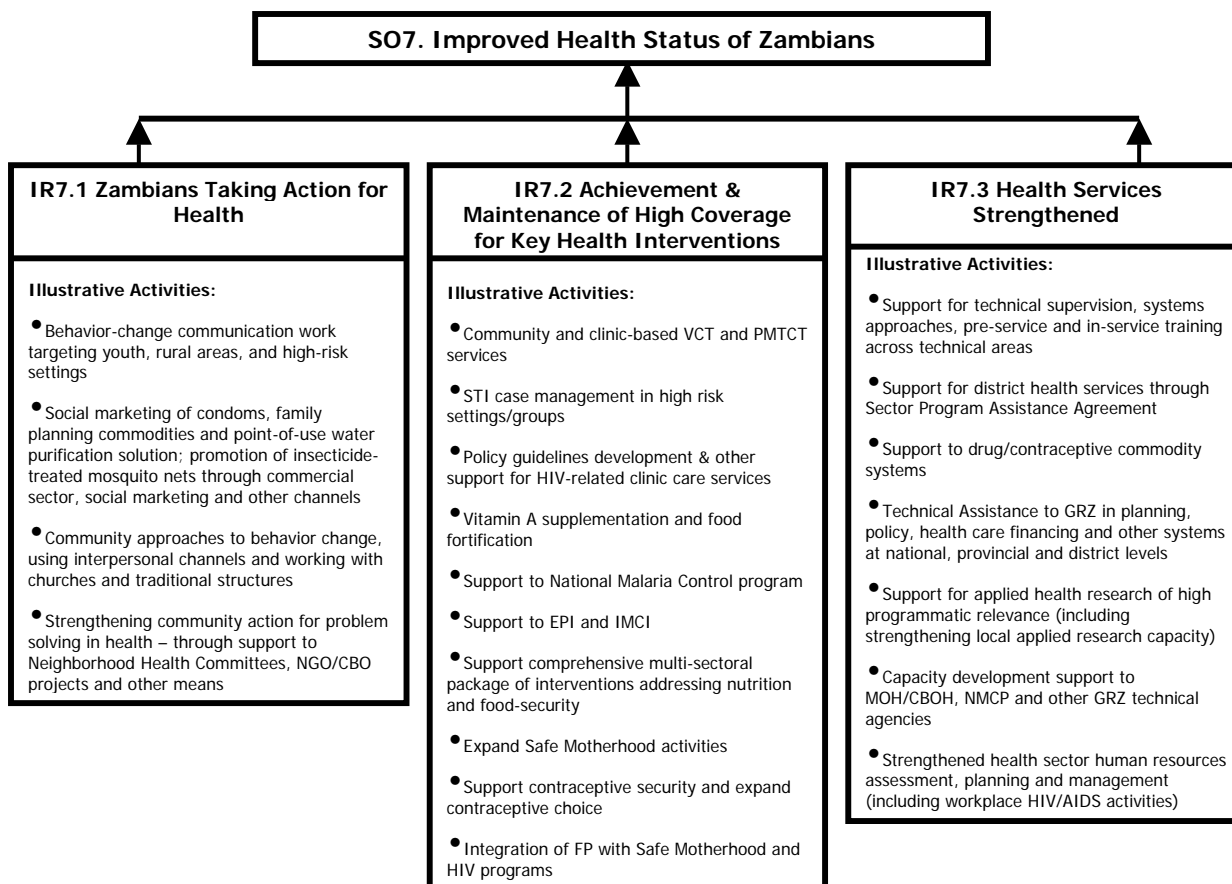


## BASIC EDUCATION SECTOR RESULTS FRAMEWORK

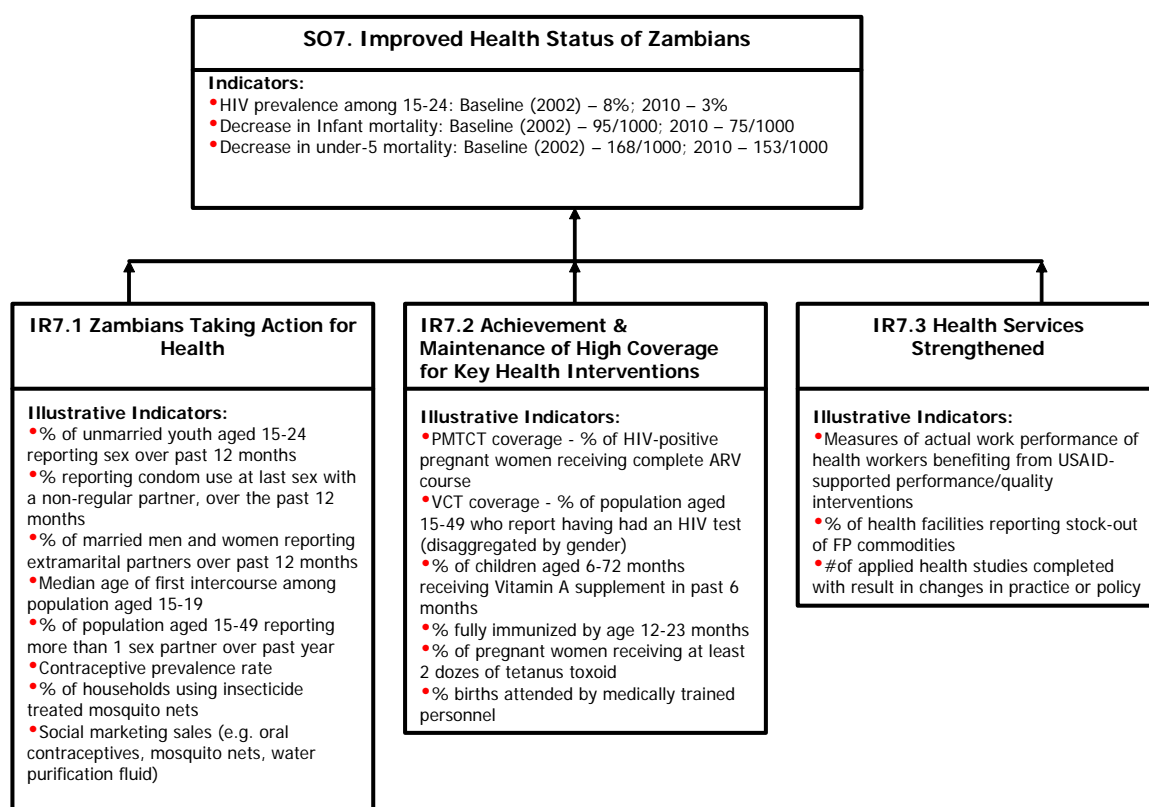




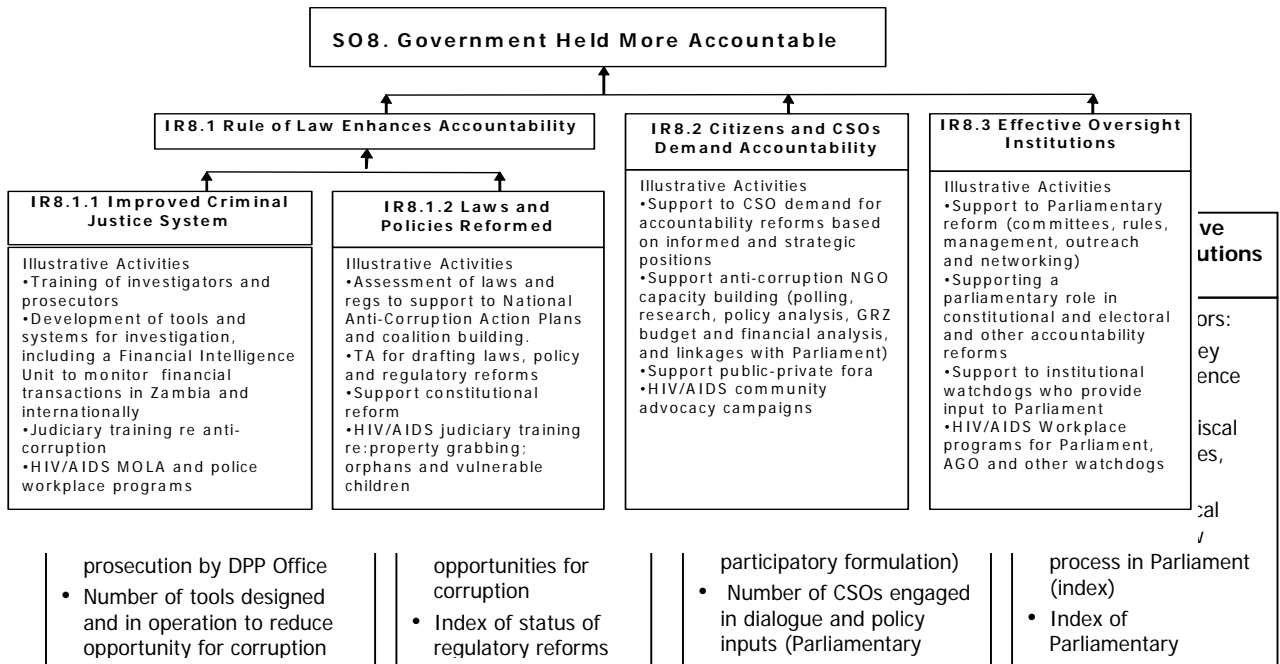
## HEALTH SECTOR RESULTS FRAMEWORK



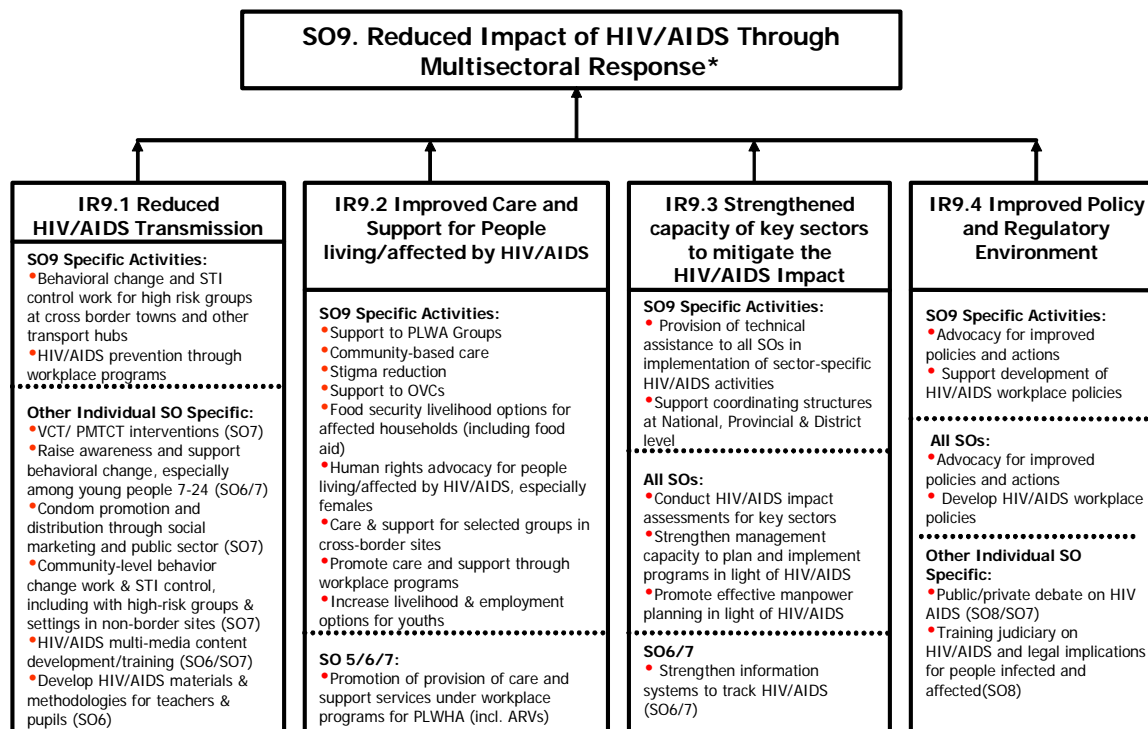
## HEALTH SECTOR RESULTS FRAMEWORK



## DEMOCRACY & GOVERNANCE RESULTS FRAMEWORK



## HIV/AIDS MULTISECTOR RESULTS FRAMEWORK



## AIDS MULTISECTOR RESULTS FRAMEWORK

### SO9. Reduced Impact of HIV/AIDS Through Multisectoral Response

Illustrative Indicators:

- % of OVCs receiving support
- HIV prevalence in 15-24 age group
- % of HIV+ pregnant women receiving a complete course of antiretroviral prophylaxis to reduce risk of MTCT
- Reduced absenteeism
- % of PLWA receiving basic care and psycho-social services

#### IR9.2 Improved Care and Support for People living/affected by HIV/AIDS

Illustrative Indicators:

- **SO9 Specific**
- # of community initiatives receiving support to care for OVCs

#### IR9.3 Strengthened capacity of key sectors to mitigate the HIV/AIDS Impact

Illustrative Indicators:

- **SO9 Specific**
- All sectors report comprehensive HIV/AIDS programs

## **Annex 2 - Criteria for Selecting HIV/AIDS Interventions**

Below are the criteria used for determining the correct placement of HIV/AIDS interventions in the various Mission SOs. These criteria were developed by the HIV/AIDS and Orphans Working (HOW) group, which has membership representation from all the SOs and support offices in the Mission.

Criteria used for including HIV/AIDS interventions under the sectoral SOs:

- HIV/AIDS interventions that can be implemented as an integral part of an SO activity aimed at directly enhancing performance of the activity by mitigating the impact of HIV/AIDS on the program and/or beneficiaries
- HIV/AIDS interventions directly aimed at reducing the impact of HIV/AIDS on the implementing partners within the sector

Criteria used for including HIV/AIDS interventions under SO9:

- Interventions aimed at assisting people infected or affected by HIV/AIDS that need a multisectoral approach such as orphans and vulnerable children and community home-based care etc.
- HIV/AIDS interventions for which it will be cost effective to be generically implemented on behalf of all SOs
- HIV/AIDS interventions that are generically targeted at high-risk groups such as musicians, journalists, commercial sex workers and truck drivers, that often do not fall under a particular sector and requires input from multiple sectors
- HIV/AIDS interventions falling outside the sectoral Strategic Objective such as the ones mentioned above
- Monitoring, evaluating and reporting of HIV/AIDS interventions at Mission level

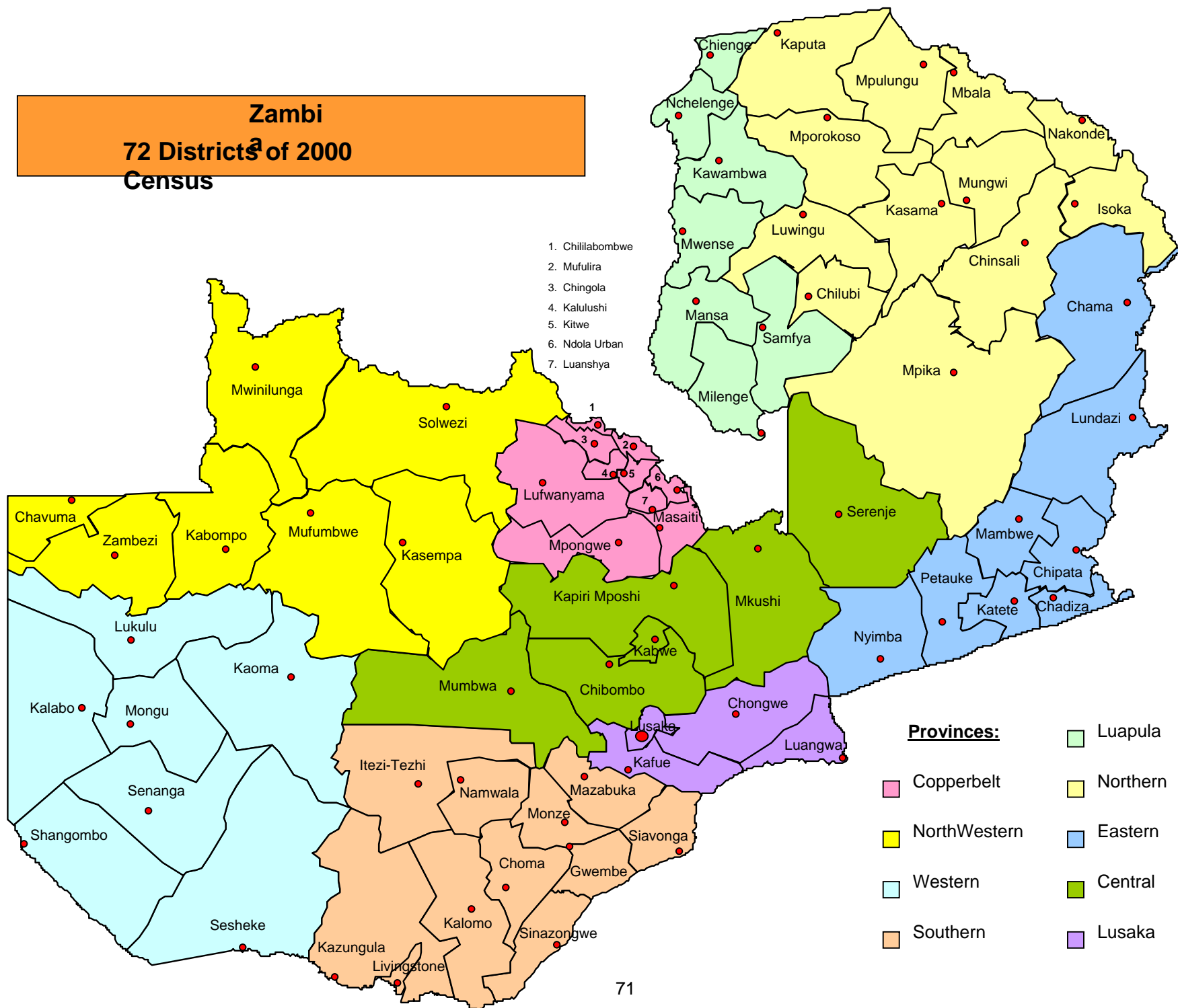
Criteria used for including HIV/AIDS interventions under SO7, in addition to those identified under the generic criteria for sectoral SOs:

- Support to treatment, testing and medical care for HIV/AIDS patients
- Activities that have a medical component such as VCT, PMTCT and the treatment of STIs

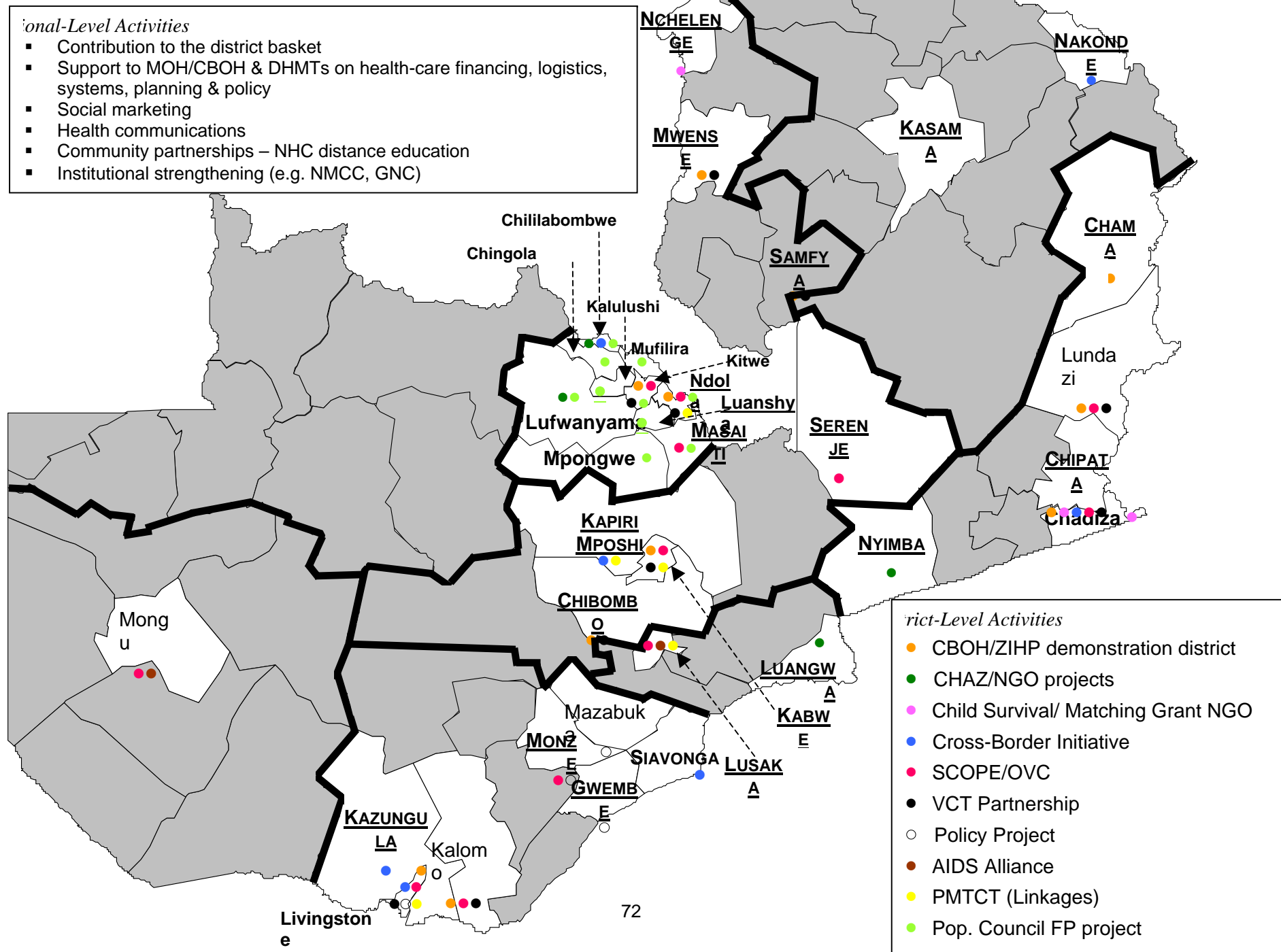
HIV/AIDS interventions will be mainstreamed in each sector in order to ensure that:

- Projections for results within each SO are realistic, taking into account the effect of the epidemic;
- Sectoral policies and programs are geared to address the factors responsible for the spread of the epidemic such as inequities in income and social power, youth schooling and livelihood;
- The network and professional associations within each sector are used to deliver HIV/AIDS prevention and care interventions; and
- Sectoral expertise is harnessed to mitigate the epidemic.

**Zambi**  
**72 Districts of 2000**  
**Census**



USAID-Supported Health & Population  
Activities: Nov 02





## Annex 5: List of Sites with USAID/Zambia-Supported HIV/AIDS Activities

**Note:** The Society for Family Health implements programs in all districts in Zambia. The Ministry of Education, with support from USAID/Zambia, is now implementing interactive radio programs for vulnerable children in all districts in Zambia.

<b>Eastern Province</b>		FAWEZA/Girls Scholarship Program
Chama		ZIHP, CHANGES School Health and Nutrition (SHN)
Lundazi		ZIHP, DAPP, Alliance Zambia, RPM+, CHANGES SHN
Chipata		ZIHP, SCOPE-OVC, CHANGES SHN, Cross-Border partners <sup>1</sup> , Alliance Zambia, DAPP, Africare
Nyimba		Churches Health Ass. of Zambia and NGO partners
Luangwa		Churches Health Ass. of Zambia and NGO partners
Chadiza		Child Survival NGO, CHANGES SHN
Mambwe		CHANGES SHN
<b>Luapula Province</b>		
Mwense		ZIHP, SCOPE-OVC, DAPP, Alliance Zambia
Samfya		ZIHP, SCOPE-OVC, DAPP, Alliance Zambia
Nchelenge		Child Survival NGO
<b>Northern Province</b>		
Kasama		ZIHP, SCOPE-OVC
Nakonde		Cross-Border partners
<b>Central Province</b>		FAWEZA/Girls Scholarship Program
Serenje		SCOPE-OVC
Kapisi Mposhi		Cross-Border partners
Chibombo		ZIHP, DAPP, Alliance Zambia, RPM+, ZATAC
Kabwe, urban		ZIHP, Linkages, DAPP, Alliance, SCOPE-OVC, RPM+
Kabwe, rural		CLUSA, Credit Management Services, ZATEC
<b>Copperbelt Province</b>		FAWEZA/Girls Scholarship Program
Chililabombwe		Cross-Border partners, Churches Health Ass. of Zambia with NGO partners
Kitwe		ZIHP, SCOPE-OVC, DAPP, Alliance Zambia, Copperbelt Health Education Project, RPMP+
Ndola, Masaiti		ZIHP, SCOPE-OVC, Linkages, DAPP, Alliance Zambia, RPM+ SCOPE-OVC
Lufwanyama		Churches Health Ass. of Zambia with NGO partners
Kasumbalesa		Cross-Border partners
<b>Lusaka Province</b>		
Chongwe		ZATEC, IRI
Lusaka/Mtendere		SCOPE-OVC, Linkages, DAPP, Alliance Zambia
Lusaka		Alliance Zambia, DAPP, FHI/IMPACT, RPM+, IRI, ZATAC, ZAMTIE
Kafue		FHI/IMPACT with African Friendship Fund
<b>Western Province</b>		
Mongu		SCOPE-OVC, Africare, DAPP, Alliance Zambia, ZATEC
<b>Southern Province</b>		CHANGES/CSMC, FAWEZA Girls Scholarship Program, UNICEF/PAGE
Kalomo		ZIHP, SCOPE-OVC, DAPP, Alliance Zambia, RPM+, CHANGES/CSMC, UNICEF/PAGE

Livingstone	USAID/Zambia's HOW Group, SCOPE-OVC, CHANGES SHN, CHANGES/CSMC, ZIHP, Cross-Border, Africare, Linkages, Policy Project, DAPP, Alliance Zambia, RPM+, ZATAC, IESC
Kazungula	Cross-Border partners, ZATEC, CHANGES/CSMC
Chirundu	Cross-Border partners
Monze	SCOPE-OVC, Policy Project, Credit Management Services
Mazabuka	Policy Project, Credit Management Services
Gwembe	Policy Project, CHANGES/CSMC, UNICEF/PAGE
Siavonga	Policy Project, Cross-Border partners, UNICEF/PAGE
Choma	CHANGES/CSMC
Sinazongwe	CHANGES/CSMC
Itezhi-tezhi	UNICEF/PAGE
Mazabuka	CHANGES/CSMC

<sup>1</sup> The Cross Border partners are FHI/IMPACT, World Vision, Society for Family Health, JICA and Corridors of Hope

## ANNEX 6

### EXPECTED INVESTMENTS IN HIV/AIDS FROM OTHER ZAMBIAN COLLABORATING PARTNERS, 2003 - 2005

Collaborating Partner or Funding Source	Anticipated Resource Level	Areas of Program Support
<i>Multilateral Support</i>		
<b>African Development Bank</b>	\$1.2 million for 2 years (presently on going)	A one-time grant to Zambia's NAC for staffing national coordination, monitoring and evaluation, procedures and financial management systems.
<b>Global Fund</b>	\$19.5 million (2003-04); A total of \$192 million committed	Will be channeled through CBOH, CHAZ, Min. of Finance and Zambia National AIDS Network
<b>ILO</b>	To be determined	Integration of HIV/AIDS into formal sector programs; Protection of vulnerable children, particularly from labor exploitation
<b>UNDP</b>	\$1, 070,000 for 2003 with approximately \$5 million for a five-years period	Support for national, provincial and district multisectoral HIV/AIDS responses and coordination; Training for local government; STI/HIV prevention among youth; support for district level mobilization
<b>UNFP</b>	To be determined	Support for adolescent reproductive health and HIV prevention; Support for training parliamentarians in HIV/AIDS and reproductive health advocacy
<b>WHO</b>	To be determined	Technical support to the NAC; PMTCT national strengthening
<b>World Bank</b>	\$42 million over 5 years	Multisectoral HIV/AIDS programs; Support for Zambia's NAC; Support to line ministries; care and support, HIV/AIDS and STI prevention programs; national capacity-building in HIV/AIDS responses
<i>Bilateral Support</i>		
<b>Centers for Disease Control and Prevention</b>	\$2.8 million annually	Program emphasis will continue to be on training and technical support for the GRZ's national TB program, national surveillance, support to the NAC. PMTCT strengthening and health systems strengthening
<b>Dfid</b>	\$36 million over 5-6 years	Support for multisectoral HIV/AIDS programs with emphasis on workplace prevention and mitigation programs; Support to the NAC, IEC resource

		center development and OVCs
<b>Germany</b>	To be determined	Mainstreaming HIV/AIDS in the agriculture and education sectors; capacity building within civil society; Support for HIV/AIDS affected and vulnerable households
<b>Ireland AID</b>	\$1 million over 3 years; \$220,000 for provincial coordination	Support for multisectoral HIV/AIDS provincial and district level programs; Support to the NAC for strategic planning, staffing and capacity-building
<b>JICA</b>	To be determined	Laboratory strengthening; TB research and documentation; STI prevention among high risk groups; youth HIV prevention; monitoring / evaluation; Purchase of VCT test kits; operations research in PMTCT; Support for NGOs
<b>Netherlands</b>	\$600,000-650,000 (2003) \$600,000-650,000 (2004) \$550,000 (2005)	Support for youth anti-AIDS clubs; technical support and capacity building for the ZAC; civil society capacity-building; home-based care and support; HIV/AIDS training; TB clinical treatment and care
<b>NORAD</b>	\$3.06 million (2003) \$1.76 million (2004)	HIV/AIDS program capacity-building within civil society; Support for NGOs; Support for vulnerable communities
<b>SIDA</b>	To be determined	Support for development of the national HIV/AIDS strategic framework; District health sector funding including HIV/AIDS; communication materials; Development of VCT and IEC policies; support for communities

**ANNEX 7**  
**STRATEGIES FOR PREVENTION AND MITIGATION OF HIV/AIDS**  
**USAID/Zambia**

<b>Prevention and Behavioral Change</b>	<b><u>Care and Support</u></b>	<b><u>Multisectoral Prevention and Mitigation</u></b>	<b><u>National Capacity Building</u></b>
Behavioral Change Among Rural and Urban Populations through Community and District Empowerment	Voluntary Counselling and Testing, Plus Care/Treatment	<b><u>Employer-Based HIV/AIDS Programs</u></b>	<b><i>TRAINING AND SYSTEMS STRENGTHENING TO ENHANCE INTERVENTION DELIVERY</i></b>
	Addressing Needs of Vulnerable Children		
<b><i>CONDOM SOCIAL MARKETING IN RURAL, URBAN AND NON-TRADITIONAL OUTLETS</i></b>	Mother-To-Child Transmission Interventions	Enhancing Food Security	Strengthening of District-Level <b><u>Multisectoral Task Forces</u></b>
<b><i>YOUTH MASS MEDIA CAMPAIGN</i></b>	Mobilization/Strengthening of Home-Based Care Teams	Support to Line Ministries Across Key Sectors ; Documentation of impacts of HIV/AIDS	<b><i>ENHANCING HEALTH INFORMATION Systems</i></b>
HIV/STI Prevention and Treatment Among High Risk Sub-Populations and Youth	Support for Persons Living with HIV/AIDS HIV and Human Rights	Support to Line Ministries Across Key Sectors ; Documentation of impacts of HIV/AIDS	Strengthening the National <b><u>AIDS Council</u></b>

\_\_\_\_\_ Situational Analyses, Assessments and Operations Research \_\_\_\_\_

----- Monitoring and Evaluation, Documentation, Reporting -----

Key targets: Nation-wide  
Expand rural program coverage  
among in- and out-of- school youth

Key targets: Nation-wide

Key targets: Southern and Copperbelt Provinces;  
Livingstone District and Chipata Multisectoral Pilots

Key targets;  
Selected Provinces/Districts

Continue urban youth targeting Intensify high risk group prevention/treatment

## **Annex 8: Description of Selected Key Interventions in the Health Sector**

### **1.8 Key Gaps in Current HIV/AIDS Programming**

The new USAID/Zambia HIV/AIDS strategy will respond to USAID's perceptions of the current gaps in the national response to HIV/AIDS. These are primarily in provision of quality clinic and community-based care and support services, including:

- Need for additional health worker capacity development, particularly in pre-service training;
- Case management of STIs needs strengthening nation-wide;
- Need for training in care, including health worker training in clinical care and community/health provider training in home-based care;
- Need for guideline development for treatment of Opportunistic Infections, including TB prophylaxis for PLHAs;
- VCT interventions are still primarily medically-based and need to evolve into comprehensive programs linked closely to communities;
- PMTCT coverage by USAID/Zambia is limited to four districts, with 25 total sites;
- The government has issued a policy on ARVs that provides for treatment for an initial 10,000 persons; pilot projects at government sites on the introduction of ARVs are an urgent need; and
- Need to scale-up application of OVC interventions based on lessons learned from SCOPE-OVC. Given the tremendous needs of vulnerable children throughout the country, SCOPE-OVC's current coverage of only twelve districts appears limited.

Gaps in prevention where there is a need for expanded interventions include:

- Messages and programs for youth need to be better targeted, particularly in rural areas.
- Need for greater identification and coverage of high-risk groups.
- Inclusion of PLHAs in program planning and implementation is still minimal; and the findings of research on stigma should be translated into programming.
- Gender issues continue to be important and need to be more effectively mainstreamed into programs.

Gaps in planning:

- With the substantial increase in resources for HIV/AIDS, there is a need for training and support to GRZ on resource allocation, including human resources, financial resources, commodity procurement and distribution systems; and
- Need for an expanded advocacy program, working with government and key role models such as sports figures, artists and leaders.

#### **Behavior Change Communication**

BCC interventions will continue to be targeted at urban and rural youth. The surveillance data suggests the need to make changes in this area to reach youth more effectively. Rural communities and high-risk populations will be especially emphasized with special programming to empower target groups and individuals to take preventive action. The

new strategy will expand these youth campaigns to target rural youth and their communities with messages supporting delay of first sex and abstinence.

A comprehensive behavior change prevention framework will be developed for (a) high-risk populations, (b) youth and (c) general populations. The framework will address the need to reach core groups, to target and harmonize messages appropriately within the “ABC” range of prevention messages; to involve institutions (such as faith-based groups) into having a more direct impact on changing social norms; and to deliver continuous prevention messages through multiple channels.

BCC interventions will be refocused to include:

- More comprehensive, community-based programming to work with key influencers for youth at community level, particularly in rural areas, including faith-based organizations and parent associations; work with local media; and identification of and work with youth Anti-AIDS Clubs and national youth associations
- Continued expansion of work with high-risk groups to cover additional sites; work with related labor associations and groups to expand entry points, e.g. fishermen, bush taxi drivers, market women; strengthened approaches to empowerment of sex workers
- Development of a comprehensive behavior change strategy for youth that combines mass media and community-level approaches
- Greater focus on peer networking and social network approaches to influence societal norms
- Increased analysis of messages to target appropriate populations, along with inclusion of messages promoting delay of first sex and being faithful/partner reduction
- Working with the National AIDS Council and other partners to establish a National AIDS Hotline
- Promotion of services, such as VCT and PMTCT, through multiple channels, including National Health Week campaigns
- Close collaboration with the Education SO to ensure strong, synergistic programming and compatibility of messages

### **Social Marketing of Condoms and Other Products**

USAID/Zambia will refocus CSM to target and distribute beyond the general population to reach populations at high-risk. In the new strategy, USAID/Zambia will ask the social marketing partner to focus on non-traditional outlets including locations associated with high-risk populations. The social marketing partner will also be asked to make greater use of community and NGO-based distributors. The new design will call for more thorough documentation of condom use, rather than solely focusing on condom sales. Extensive data are needed to establish whether markets essential to high-risk populations are completely saturated.

USAID/Zambia will continue to support social marketing of the female condom and identify better ways to promote its use among high-risk populations and youth. The new strategy will also explore the options for use of STI self-treatment kits.

#### **High-Risk Groups**



Further assessment is needed to redefine and model the way that core high-risk groups are driving the epidemic in Zambia. Definitive data are not available at present. Scrutiny of our national health behavior and DHS data suggest that sub-populations exist far beyond the border sites where we are currently focusing our high-risk program. Therefore in the new strategy we need to expand tailored interventions to key populations at risk in urban centers, and in more geographically appropriate areas such as fishing communities. More targeted campaigns directed at mobile youth, such as mini-bus transport workers, market women, prostitutes in the Lusaka-Kabwe-Copperbelt corridor, need to be developed.

The new strategy will give a heightened level of attention to identification and treatment of STI infections other than HIV/AIDS. Collaborating with CDC, USAID/Zambia will revisit the current syndromic management algorithms and plan health worker training appropriately based on validation studies, which will be completed in 2003. USAID/Zambia will also engage in dialogue with the CBoH to determine if presumptive treatment should be expanded. Results from the Horizons three-country ZIMZAMSA study of STI management with high-risk groups will provide important insight into cost-effective options.

### **Conflict Vulnerability**

Zambia remains a model of peace and political stability in a region affected by conflict and civil upheaval. Movements of population across the Northern, Western and Southern borders contribute to disproportionately high HIV/AIDS prevalence rates along Zambia's borders. In some cases, such as the borders with Angola and the Democratic Republic of Congo, movement across these borders has been exacerbated by conflict. There are some concentrations of refugees in the country, such as in Mporokoso District and in Western Zambia, with a total of approximately 237,000 refugees in-country (UNHCR/Geneva website). There are no case studies to establish HIV prevalence rates among refugees in Zambia. However, many of these refugees are now long-term residents of Zambia and so should be addressed as part of the general population. As such, they may be as vulnerable as the general population to sexual exploitation as a survival strategy, and will not be addressed as a separate target population.

### **VCT Counseling and Testing Services**

VCT is an underutilized resource in Zambia, but one that is gaining greater acceptance. The 1998 DHS reported that only 6% of Zambians had been tested. This increased in the 2001-2002 DHS to 13% (12% of women and 14% of men). Women in rural areas reported least use of testing services (9%) and men in urban areas the highest use (17%). 83% of the total number tested knew their results. However, services are still largely clinically focused and need to be more closely connected to communities to increase their use and effectiveness as a link to ongoing clinical and psychosocial care.

USAID/Zambia has invested resources to support the expansion of national VCT services in Zambia since 2000. Zambia is committed to the provision of VCT services in integrated sites, which are coordinated through Zambia VCT Services under the Central Board of Health. Currently there are 92 VCT sites, most in government health facilities but some in NGO-sponsored facilities. The government is committed to scaling-up these

services and to ensuring all sites meet a 'gold standard' of quality service. Distribution of test kits is organized from the central level through Zambia VCT Services, with funding support from JICA. Additionally, the Society for Family Health has opened a stand-alone VCT site in Lusaka, funded by SFH and DFID.

In August 2000, the Ministry of Health, NORAD, JICA and USAID/Zambia began to explore ways to combine resources to expand demand for and the availability of a comprehensive package of VCT promotion and services in Zambia. USAID/Zambia has been the driving force in the development of the National VCT Partnership, a group of implementing partners including the GRZ, donors, implementing agencies and NGOs working with Zambia VCT Services to strengthen access to VCT and promote community mobilization. USAID/Zambia is also a participant in the National Technical Working Group on VCT and Care, based under the National AIDS Council. Through the TWG, USAID/Zambia technical staff helped support the development of the national guidelines on VCT.

The VCT Partnership has identified goals, standards of care and the elements of a comprehensive VCT intervention. These include community mobilization at district level; support for post-test clubs, promotion of Positive Living Networks and support groups; provision of test kits; HIV counselor training using the MOH approved counselors' training module, sensitization of health staff and administrators; quality assurance; monitoring and evaluation; and IEC using multiple channels.

USAID/Zambia's role in this partnership has been to support development of promotional materials (through the Society for Family Health); community mobilization for support of VCT (through the International AIDS Alliance) and support for post-test Positive Living Clubs (through DAPP). As part of the current strategy, support to DAPP is being extended to 12 districts, and the Alliance will also work in the same areas to promote VCT through a community mobilization and education process.

The major challenge with 92 VCT sites will be to work on quality improvement and on ensuring that VCT is supported by an effective referral system. A key issue is to define what the minimum standards are that constitute a VCT site.

Activities under the new strategy will include:

- Working with the Zambia VCT Partnership and the National Working Group on VCT and Care to support a continued emphasis on the quality of services;
- Expansion of Positive Living Clubs to provide post-test support to People Living with AIDS through training; positive living advocacy, including mothers' support groups, youth support groups, and support to bereaved families; income generation and microfinance activities; and support to counselors;
- Expansion of community mobilization and education activities that involve the community in establishing their priorities for an effective VCT service using processes through which community members internalize the value of confidentiality, partner support and testing and community care services. Monitoring this intervention to track the extent to which mobilization leads to greater use of services will be important; and
- Strengthening linkages across SOs to promote VCT and follow-up services through all SO networks and involving those networks in the community response to VCT.

## Prevention of Mother to Child Transmission of HIV (PMTCT)

Prevention of mother to child transmission will be a key element in the Mission's strategy of working with partners to scale-up the national response to HIV/AIDS. PMTCT is recognized by the GRZ as an essential component of a comprehensive HIV/AIDS program. Currently, interventions are being funded and/or implemented by the GRZ, USAID/Zambia, the University of Alabama (working with the Elizabeth Glaser Foundation), and Medicins sans Frontieres. The Christian AID Consortium plans to set up additional PMTCT services in the near future. The GRZ-headed Technical Working Group, headed by the National AIDS Council, carries out coordination and technical leadership. Functions of the TWG include review and promulgation of the minimum package for PMTCT services, review of proposals, and planning coordination of services between donors and the DHMTs.

Through the LINKAGES Project, USAID/Zambia was one of the first agencies to establish a program focusing on aspects of PMTCT as part of a community-based intervention to improve antenatal care for HIV positive women in Ndola District. The project had a major focus on breastfeeding and on shaping community norms to provide a supportive environment for HIV-positive women by involving the community, in particular male partners, in the planning and implementation of project activities, as well as through counseling services for clients.

The national coverage of PMTCT programs is limited, both in terms of the number of sites and the number of those who accept the services.<sup>11</sup> In response, the GRZ has developed a national strategy to scale-up PMTCT services, working with partners in a phased approach. A minimum package for PMTCT has been agreed upon, which includes VCT, disclosure issues, safe motherhood, Nevirapine, infant monitoring, infant feeding, and ongoing care and psychosocial support. There is a need to train additional health workers in this package, to establish more sites and to ensure the comprehensiveness and quality of services.

The National TWG on PMTCT, with UNICEF and USAID/Zambia support, has costed the components of a national PMTCT program and identified initial priority sites for scaled-up services as: Lusaka, Ndola Urban District, Kabwe, and Livingstone District. The TWG has developed national expansion guidelines, which include: the provision of Nevirapine at all sites, RPR testing, full-scale laboratory services; minimal stocking of drugs for treating opportunistic infections at all sites; clinic delivery of babies and no provision for formula.

Activities under the new strategy:

UNICEF and USAID/Zambia have formed a strategic alliance to support the Government of Zambia in working with other partners to scale-up the prevention of mother-to-child transmission nationally. An essential element in this alliance will be to achieve a high level of coordination with CBoH. Possible joint activities under the next strategic plan are:

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<sup>11</sup> A recent report from the Linkages Project notes that in January through October 2002, of 11,383 antenatal clinic attendees in participating clinics, only 842 (7.4%) received counseling on HIV testing and only 787 (6.9%) were tested.

- A national BCC strategy and implementation program. This would be implemented through a phased approach, perhaps starting first with a print and radio mass media campaign focusing on prevention of infection, importance of couples knowing their status and need for more male involvement in PMTCT;
- Building a stronger focus at service delivery points on supervision. This may be fostered through assistance to training, including training of supervisors, coordination and supervision to facilitate the introduction of new sites, and the maintenance of quality standards at existing sites;
- Supporting the development of a national database on PMTCT along with other partners;
- Support for expanded information about PMTCT, including support for an annual national technical conference on PMTCT, information updates and advocacy;
- Continued advocacy and training to improve particular aspects of PMTCT practice, including more emphasis at service delivery points on the “opt out” approach regarding VCT; building a national consensus on universal pre-counseling for all antenatal attendees; and providing technical input and advocating for increased psycho-social support for clients receiving ARVs;
- USAID/Zambia will continue to support operational research and the documentation of new and effective approaches to PMTCT. USAID/Zambia will also work with the GRZ and other partners to present and discuss research findings on the issue of infant feeding;<sup>12</sup> and
- Continuing to give technical leadership to the National Technical Working Group on PMTCT.

### **CARE AND SUPPORT**

A major emphasis in USAID/Zambia’s care and support program will be to capacity development in delivering a comprehensive care and support package. The key elements of a package for district-level interventions were described in the recommendations resulting from the National Assessment on Care and Support. They are:

- A functional and multisectoral District AIDS Task Force (DATF) with mandated planning, coordination and dissemination responsibilities answerable to district authorities;
- Ongoing partnerships through DATF between public health, hospital, private, faith-based, non-governmental and community-based organizations and providers of comprehensive care and support;
- Updated directories of HIV/AIDS care services: who does what and where across a continuum from the institutions to community based programs;
- Accessible and affordable facilities for physical therapy, opportunistic infections management, STI, HAART, PEP and palliative care;
- Health care facilities which address care for the HIV/AIDS care providers;
- District health plans which reflect maintained support to programs of public health importance including activities to scale-up VCT, PMTCT and home care;
- VCT activities with active referral to care and support (VCT PLUS), links to PMTCT, promotion of couple counseling, and opportunities for health care staff to learn their serostatus;

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<sup>12</sup> Major issues related to infant feeding are still unresolved. The University of Alabama’s study at the University Teaching Hospital of HIV transmission among exclusively breastfed infants indicates that exclusive breastfeeding does not seem to be protective. Results show a disturbingly high rate of HIV-infection after 6-7 months.

- TB-DOTS activities linked to VCT;
- PMTCT activities integrated with VCT and reproductive health services;
- Accessible facilities to address needs of HIV asymptomatic people such as reproductive health, nutrition, healthy life styles, and preventive therapies;
- Nutritional support activities for families affected by HIV/AIDS to be addressed by relevant district bodies;
- Training activities for each care provider cadre reflecting specific needs in care and support;
- Expanded drug availability, particularly anti-fungals, strong analgesics and antiretrovirals;
- Promotion and displays of government action on fee exemptions relevant to HIV/AIDS
- Management and referral systems to support the continuum of care;
- Availability of guidance materials, national policies and standards for HIV/AIDS at all health facilities and HIV/AIDS programs; and
- Monitoring and health management information systems in place for HIV/AIDS care and support activities.

The assessment also recommended the guiding principles for a care and support package, which included the need for a comprehensive approach meeting medical, nursing, psychological, nutritional, social, economic and spiritual needs; the need for care to the family and household as well as the individual and for asymptomatic individuals; the need for care providers to have counseling and communication skills, the need for links to and from the community and for the involvement of all sectors.

USAID/Zambia will support the inclusion of the elements of this package in pre-service training, work with DHMTs to develop quality assurance systems for care and support, with NGOs to strengthen home-based care and its links and referral systems to clinical services, and with other partners and agencies to ensure that drugs and commodities are available to support improved care systems. This will be a process of providing technical input and training, publicizing successful models of community care (such as Tandazani), scaling-up services, and documenting the results.

The GRZ currently says that it can provide 10,000 people with ARVs. There is current discussion indicating that priority is being given to pregnant mothers, health workers and other civil servants. Formal criteria for eligibility still need to be clarified. USAID/Zambia, UNICEF and University of Alabama are providing ARVs as part of the minimum package of their current PMTCT initiatives. The Global Fund will likely provide additional resources for ARVs in late 2003. The GRZ has issued initial policy guidelines, but systems to provide support for ARV treatment and to train medical practitioners are required. During 2003, the GRZ updated the ARV treatment strategy and it continues to be revised. Limited quantities of ARVs for approximately 150 persons, through a small pilot project, are currently being provided.

In the new strategy, USAID/Zambia will take a major role in documenting district interventions to increase the use of ARVs. For example, USAID/Zambia could support documentation of adherence to drug systems and the needs for social support associated with ARVs. This builds on USAID/Zambia's prior experience in documenting and developing supportive systems for PMTCT and VCT services.

## Orphans and Vulnerable Children

In response to the concern about the growing number of orphans in Zambia, in 1999 USAID/Zambia, with UNICEF and the World Bank, funded a Situation Analysis of Orphans and Vulnerable Children. The findings of this assessment led to the start of the SCOPE OVC Project in the year 2000 (implemented through CARE International with technical assistance from Family Health International).

SCOPE is a capacity-building project that works with communities and districts to assist them in addressing the OVC crisis through strengthening district and community institutions. SCOPE has promoted a multisectoral approach to OVC, helping with the formation and strengthening of District and Community OVC Committees, and providing sub-grants to support interventions in those communities. SCOPE provides technical assistance to the committees to help districts and communities in planning, networking, resource mobilization and advocacy in order to identify their own solutions to addressing the needs of OVCs and the families who care for them. The project has worked in 12 districts and has set up over 60 committees in those districts.

Lessons learned by CARE that will be valuable in developing the new strategy include:

- To gain support from communities and affected families, interventions and support must be channeled through families and guardians of children, not directly to the children themselves;
- Communities are highly responsive to the SCOPE intervention;
- Access to education, household economic security and psychosocial support for both guardians and children are critical, under-addressed needs for support to OVC;
- Teachers are an underutilized resource for identifying and channeling support to OVCs; and
- The time taken to establish input from and ownership by the community at large may conflict with USAID/Zambia's need to show fast results from its financial investments.

The new strategy will continue to expand the SCOPE approach, using the Livingstone model of working through a Multisectoral HIV/AIDS Committee where appropriate. The following issues will be addressed in an expanded response to OVCs:

- Expansion of OVC support to additional districts;
- Developing an appropriate phase-out strategy so that as USAID/Zambia supports new districts to address OVC issues, districts that have already been assisted can begin to take on more autonomous planning and funding interventions;
- Working more closely with teachers and structures that support community schools, to address the issue of access to and quality of education;
- Closer coordination with a multisectoral team to address issues of food security, including agricultural production and optimal nutrition for families and OVCs;
- Addressing the needs of guardians and children for psychosocial support, and conducting further research on this topic;
- Closer coordination with SO5's implementing agencies to ensure a consistent approach to micro-financing and loan arrangements for families in need;
- A new focus on households headed by orphan adolescents and young adults;

- Stronger links between OVC care and support activities and HIV prevention, which should include both the health and education sectors; and
- Continuing national-level advocacy on OVC issues.

This activity will be coordinated under SO9. It will be important to assess how to incorporate both SCOPE's experience and the experience of the Livingstone HIV/AIDS Multisectoral AIDS Committee into the new strategy.

### **PRIVATE SECTOR ACTIVITIES**

USAID/Zambia's SO1 is working with the International Executive Service Corps (IESC) to address the impact of HIV/AIDS on business in Zambia. IESC's Livingstone Linkages program, started in 2001, works with over 100 small and medium-sized businesses to build their capacity, using a corps of volunteer experts. The program has addressed HIV/AIDS through work with the District Business Association (DBA), the District Health Office and other partners. The program, carried out in collaboration with the UN, sensitizes business leaders on the need to introduce HIV/AIDS workplace programs. This initiative has the potential to reach a large number of businesses since partners are the DBA (with 300 member companies), the Livingstone Tourist Association (65 member companies) and the Commercial Farmers Association (305 member companies).

### **ANTICIPATED ACTIVITIES**

Under the new strategy, SO5 has identified a broader strategic approach for working with businesses to reduce the impact of HIV/AIDS on the private sector. SO5 will continue to build institutional capacity to expand workplace programs, through working to strengthen the DBA, ZCSMBZ, the Zambia Business Coalition on AIDS, the Chamber of Commerce, the Tourism Association and the Commercial Farmers Association. At the field level, SO5 will support partners, primarily IESC, in the following areas:

- **Training and Education.** Continue IESC's work in Livingstone to provide training on AIDS in the workplace to businesses, and build the capacity of the Zambia Chamber of Commerce to partner with businesses to introduce HIV/AIDS workplace programs. In addition, include HIV/AIDS education in all small business and village level training. To address the economic impact of HIV/AIDS, IESC will train community members in entrepreneurship, and vulnerable families, youth, and high-risk groups in income-generation.
- **Finance.** Enhance the role of microfinance in mitigating the impact of HIV/AIDS through updating and expanding directories of microfinance programs and loan criteria; expanding revolving loan funds to widow associations and others; and including a component of technical training in microfinance programs.
- **Management.** Provide special businesses with management interventions such as assisting companies in assessing the impact of HIV/AIDS on staffing patterns and assisting with interim management for businesses at risk.
- **Insurance.** Identify and review health and burial insurance options and savings plans for businesses and the self-employed; and insurance options for microfinance loans.

## **Agriculture**

The Ministry of Agriculture and Cooperatives (MACO) has a well established HIV/AIDS prevention team, comprising the Ministry's Assistant Director of Human Resources and twelve trained HIV/AIDS counselors. A new focal point person for HIV/AIDS has recently been identified in the Ministry, and the Ministry will receive funding from the Global Fund for HIV/AIDS prevention. The Ministry has already carried out HIV/ AIDS sensitization workshops for its staff in eight of Zambia's nine provinces, and distributes condoms to its employees. It has not yet, however, developed a strategic plan for HIV/AIDS prevention and mitigation.

Since the year 2000, USAID/Zambia has had several discussions with the Ministry on issues of HIV/AIDS in the Agricultural Sector and the constraints on reducing impact. MACO articulated the impact of HIV/AIDS on its operations, including a high turn over of staff (high number of vacancies) and reduced effectiveness of the extension function. At the household/farmer level, the Ministry noted the high rate of selling off of commercial farming entities.

Problems include denial and reluctance to discuss HIV/AIDS among both Ministry staff and the farming community, limited resources for HIV prevention and condom distribution, and the need for technical and staff support for data collection and analysis on the impact of the epidemic. The Ministry is eager to incorporate HIV/AIDS prevention messages into its extension efforts, including use of local languages in its extension pamphlets.

Future opportunities for collaboration under the new USAID/Zambia strategy include:

- assistance to sustain the development of training modules and pamphlets appropriate to the farming community;
- linking up with USAID/Zambia's Education Radio program to explore broadcasting of HIV/AIDS prevention messages to farmers; and
- work on possible incorporation of health insurance schemes among solidarity lending groups to mitigate the impact of HIV/AIDS on agricultural output.

USAID/Zambia's current activities addressing HIV/AIDS in the agricultural sector developed in response to the impact of HIV/AIDS on the SO's target group of smallholder farmers. Distortion of the population pyramid by HIV/AIDS has led to lower production capacity; illness and death resulting in reduced labor, decreased cultivation, and lower yields; loan repayments fail; cooperative membership is weakened; and the capacity of the extension service is reduced owing to loss of manpower in the service, leaving children and the elderly, hence lowering production capacities leading to less food security and thus exacerbating poverty.

USAID/Zambia has worked with its two main partners, CLUSA and the Zambia Agribusiness Technical Assistance Center (ZATAC) to address HIV/AIDS, mainly through low-cost or no-cost activities. Approaches to prevention and mitigation have included awareness campaigns, and technical interventions to reduce impact and strengthen food security. HIV/AIDS awareness is promoted through peer education, radio messages and discussions, condom distribution to CLUSA field staff, using agribusiness to disseminate prevention messages on packaging for agricultural products,



and using drama clubs, social clubs and sports for information dissemination. CLUSA's programs have reached 946 farmers through depots and over 6000 rural farmers at the household level. HIV/AIDS information is incorporated into all training manuals and all meetings with farmers.

Both CLUSA and ZATAC are working to adapt agricultural technologies to address the reduction in labor availability and labor skills and the changed age profile of family farms. These interventions include the encouragement of labor-saving systems and technologies such as more easily managed animal traction and irrigation systems, growth of perennial crops, increased use of conservation and intensive farming systems, improved horticultural technologies to reduce waste and improved irrigation systems. CLUSA has taken an important step in considering the health impact as well as the economic benefits of crop and technology choices. Improved nutrition is promoted through reducing inorganic fertilizers and promoting high-protein crops. Guidance on economically productive and healthy crop choices has become more specific as knowledge in this area increases, but more studies of household vulnerability and coping mechanisms are needed.

- Interventions in the sector will continue and expand initial activities. Prevention activities will move from awareness creation to a focus on behavior change – which implies measuring change in this target population;
- Continuing to promote less labor-intensive crops, technologies, and systems, based on improved data on the relative economic and nutritional benefits of crop choices;
- Expanding the use of farmer groups, individual businesses, business associations and community groups as avenues for interventions to promote behavior change, identify vulnerable households and link them with community services, and strengthen community support for households at risk;
- Use public and private alliances and other partnerships to ensure the increased competitiveness of the private sector even in the face of HIV/AIDS;
- Strengthening training and support for extension systems, including their ability to identify vulnerable households, and farm youth in need of mentoring in agricultural skills;
- Increasing training opportunities for farm youth, through associations and youth farm clubs, to ensure that skills transfer continues to occur through mentoring and training;
- Identifying research issues, including impact assessments that will increase understanding of the impact of the epidemic and elements of an effective response in rural communities; and
- Documenting traditional skills and coping mechanisms and providing training on the traditional (and disappearing) skills and technologies used to work in certain geographic locations.

### **EDUCATION**

Within the context of high HIV/AIDS prevalence, school-aged children (7-15 year olds) are the only large population that, for the most part, is not sexually active and not infected by the disease. This makes them a prime target group to introduce self-assertiveness and life skills in order to cultivate appropriate behaviors that will protect the children and their families against HIV/AIDS and other diseases.

HIV/AIDS has been included as a cross-cutting issue within all the components of USAID/Zambia's basic education activities since USAID/Zambia's Strategic Objective Agreement (SOAG) with the Ministry of Education in 2000, to support the Basic Education Sub-Sector Investment Program (BESSIP) (1999-2003). Since that time, USAID/Zambia's support has assisted the Ministry in its progress toward the mitigation of the effects of HIV/AIDS on its school-age populations and the education profession. Most directly, USAID/Zambia provided technical assistance in helping the Ministry draft its first strategic plan for carrying out mitigation efforts. That plan has now been accepted by the Ministry, is being carried out for basic education, and was a key document used to shape the role of HIV/AIDS mitigation in the Ministry's new, five year *Strategic Plan: 2003-2007 the National Implementation Framework*. Under the new strategy, efforts that once focused on basic education levels will also be taken to high school and tertiary sub-sectors of education. Those efforts will include advocacy and sensitization campaigns, development of workplace policies to provide counseling and protection to all in education institutions, and planning based on impact studies, particularly for the replacement of sick and absent teachers.

Under BESSIP (1999-2003), the framework has included sensitization and mobilization activities and materials, teacher training, IEC activities including radio and television programs and brochures, pamphlets, teachers guides and school anti-AIDS clubs, peer education, community mobilization to help mitigate the impact of HIV/AIDS on their school-age children, an impact assessment of the effects of HIV/AIDS on the education sector, and a policy review to identify ways in which both policy and its enforcement can be strengthened. The HIV/AIDS strategic framework has not only made it easier for the Ministry to plan, field test and budget for its HIV/AIDS activities, it has also ensured that our USAID/Zambia-supported, HIV/AIDS activities that cross-cut all of our projects are in line with the Ministry's goals in this area. USAID/Zambia's education projects have supported all of the activities listed above. Most recently, USAID/Zambia has worked with the Ministry in developing a research project to assess the impact of HIV/AIDS on Zambia's education sector and it is the lead donor in fielding the technical assistance to undertake this study. The study will examine the impact of HIV/AIDS on six interrelated dimensions of the Zambian education system:

- supply of education
- demand for education
- cost of education
- process and quality of education
- content and role of education
- effects on gender disparities

It is anticipated that this important study will add significantly to the HIV/AIDS dimension of the Ministry of Education's efforts and assist USAID/Zambia and other cooperating partners in targeting their resources toward the fight against HIV/AIDS more strategically and efficiently.

USAID/Zambia also played a key role in brokering a Memorandum of Understanding between the Ministry of Education, Glaxo SmithKline pharmaceutical company and the World Bank to provide support of IEC capacity building in the Ministry of Education and to provide a long-term technical advisor to help the Ministry shape its HIV/AIDS and school health and nutrition campaign. Strengthening this capacity has not only helped USAID/Zambia's projects to develop, field test, and implement good IEC campaigns in two provinces for school health and nutrition, HIV/AIDS

awareness, and gender equity, but it has also enabled those messages to be taken to the rest of Zambia through additional resources provided by the Ministry and other donors

Further, in support of the Ministry's goal for education for all and to reach out to orphans and children living in the most impoverished circumstances with basic education, USAID/Zambia has helped the Ministry launch its highly innovative and successful Interactive Radio Instruction (IRI) Program called "*Taonga Market*" – a program that requires partnerships between the Ministry of Education's Broadcasting Services (program producer), the communities that identify local facilitators to facilitate each broadcast lesson and other community volunteers who mobilize out-of-school children and IRI center venues. Since it is suspected that many of these children are out-of-school as a result of the affects of HIV/AIDS on their families, the program is contributing to mitigating their situation and working to improve their futures. In terms of HIV/AIDS messages, the IRI program broadcasts daily lessons through national and community radio stations five days a week. Half-hour lessons are broadcast for Grade 1 and hour-long lessons for Grades 2-4 children. For each half-hour segment, there is at least five minutes per segment devoted exclusively to life skills/HIV/AIDS education. The 15-minute interludes between lessons are used to broadcast additional HIV/AIDS-related information programs including interviews with opinion leaders, teachers, students and workers in the fight against HIV/AIDS.

Also, integrated in USAID/Zambia's major education activities are the sensitization and mobilization of communities to HIV/AIDS issues, especially as they impact on the health, education and well-being of the children in the community, whether it be our school health and nutrition program, girls education support, development of education management information systems, or interactive radio instructional programs. Among initiatives cross-cutting these community-based approaches is a small grants program. Through the planning and capacity building of school PTAs and small, community-based organizations including faith-based and women-directed CBOs combined with a small grants program, increasing numbers of communities are implementing their own action plans to attack HIV/AIDS. Of the 20 grant-funded community and school projects that have been implemented during the past year, 75% have initiatives directly focusing on HIV/AIDS mitigation while the others are tackling related issues such as feeding school children through production units or ensuring that girls have access to education.

During the course of supporting the development of the Ministry's education management information system, USAID/Zambia has assisted the MOE in revising its annual school census questionnaires to include items that will help planners understand and better plan for HIV/AIDS mitigation, including requests for data on teacher and pupil deaths, pupil and teacher absenteeism and duration of absences, and reported numbers of children who have lost one or both of their parents. Other HIV/AIDS-related research and "good information for good decision-making" activities supported by USAID/Zambia include the DHS Education Data household level survey that has collected information on the causes and effects of HIV/AIDS on issues such as school attendance, health and nutrition.

### **ANTICIPATED ACTIVITIES UNDER THE NEW STRATEGY**

In the new strategy, the education activities will take place under both SO6 and SO9 with an expanded group of partners. Activities will continue to focus primarily on HIV/AIDS prevention targeted at pupils and teachers. Activities will include:

- HIV/AIDS prevention activities for school-going children and youth, including development of curriculum materials, expanded support for Anti-AIDS Clubs, expanded use of broadcast and communication technologies for HIV/AIDS knowledge and awareness campaigns, expansion of grass-roots and community-based approaches for supporting the mitigation of HIV/AIDS' effects on the education of children;
- The development of zonal education resource centers to help the Ministry ensure that education and HIV/AIDS resources and technical support are within 8 kilometers of every school and teacher in the country;
- Expansion of the IRI program from informal community IRI learning centers into the rest of the basic education school population including those who are in government and community schools. This will serve to not only deliver education skills but also routinely deliver life skills/psycho-social lessons to all listeners;
- Expanding the capacity USAID/Zambia has built in the Ministry to have a reliable education management information system headquarters to provincial and district level education offices and school boards and building the capacity of planners at those levels to use that information as they develop their school and district annual work plans;
- Teacher training, both pre-service and in-service, will feature much more prominently in USAID/Zambia's next education strategy, especially in giving them the skills to cope with as well as teach their pupils how to cope with the affects of HIV/AIDS on their lives. The Mission will provide assistance in the MOE's strategic plan to introduce HIV/AIDS in the workplace policies and activities, to actively promote zero tolerance of sexual harassment and abuse in the education and community environments as well as social stigma attached to HIV/AIDS;
- USAID/Zambia is looking into the possibility of helping the Ministry expand its efforts to turn the teacher training colleges into hubs of HIV/AIDS technical assistance and resources, serving both as resource centers and sponsors of HIV/AIDS outreach programs to educators and schools throughout their provincial catchment areas; and
- The next education strategy will build on the multisector approaches that have been pioneered via USAID/Zambia's support in the education sector during the current strategy to assist the MOE capitalize on and expand multisector approaches and liaisons with NGOs and CBOs in other parts of the country. These include assisting the Ministry of Education to develop better understandings and collaborative efforts with the Ministries of Health and Community Development and Social Services.

Activities in the Education sector will be funded from Child Survival and DA funds.

#### Democracy, Governance and National Advocacy

In 2002, an HIV/AIDS Bill was introduced and debated in Parliament, and was passed into law in early 2003. Several donors are supporting work on policy and legal issues related to HIV/AIDS. UNFPA and the European Parliamentarians for Africa have carried out briefings for Parliamentarians on HIV/AIDS. GTZ is working with the local courts to look at issues related to customary law, which may particularly impact women in families affected by HIV/AIDS.

USAID/Zambia's Democracy and Governance SO4 has addressed HIV/AIDS as a key issue for increased public debate. The SO has worked to increase the engagement of civil society, including NGOs and faith-based organizations, in defining and influencing policy. It is also working with government institutions at both the national and local levels to increase their capacity for planning and implementation.

Through PACT, SO4 has funded eight subcontracts to civil society institutions, totaling \$253,000, in order to address HIV/AIDS policy issues. This represents about one-third of the total sub-grants in this program. Activities included funding a media campaign on sexual abuse of girls (M-Films); interventions on workplace policies and programs (Zambia Health Education and Communications Trust, and the Zambia Business Coalition on HIV/AIDS); and policy activities related to HIV/AIDS and partner notification (Zambia Counselling Council), marriage legislation and partner rights (Northmead Assemblies), and HIV/AIDS discrimination (Zambia AIDS Law Research and Advocacy Network). In addition, HIV/AIDS has been included as an issue for debate and planning in some of the training programs funded by SO4, including training for women in legislative drafting, and local government training in Livingstone, Ndola and Lusaka on planning for service delivery.

Through these and other activities, SO4 has built up a wide network of links with government ministries, professional associations and civil society organizations. SO4's working partner in government is the Ministry of Legal Affairs. Key partners in civil society include the Oasis Forum and the Association of Women Lawyers. USAID/Zambia has also started working through SO3's Policy Project to increase the awareness and understanding of Parliamentarians about HIV/AIDS issues. These partners, and those mentioned above can provide entry points for work in governance and legal issues related to HIV/AIDS.

### **PROPOSED PROGRAM ACTIVITIES**

Under the new Democracy and Governance SO, SO8), the goal will change to "government held more accountable" and will focus on corruption issues and how these affect public and private sector institutions. SO8 will, however, continue to work on increasing public debate and on legislative and policy issues related to HIV/AIDS using the HIV/AIDS Child Survival funds assigned to SO8.

A new multisectoral program component of the strategy will be a much expanded national advocacy effort, carried out in collaboration with all SOs. It should be comprehensive and include: capacity-building for advocacy, development of talking points, identification of opportunities for key political and faith-based leaders to speak out to support HIV/AIDS; and the use of sports and entertainment figures to increase awareness and support action for healthy living.

The purpose is two-fold: one to rally support for issues of national policy and to address issues of social stigma and risky behavior within the existing Zambian cultural context.

SO8, has identified legislation and regulation to mitigate HIV/AIDS impact as a key activity. HIV/AIDS issues such as health insurance, employee rights, confidentiality, stigma, women's rights, and the rights of minors to reproductive health information and services will continue to raise human rights issues that require policy solutions.

Illustrative areas for future activities under SOs 8 and 9 are:

- Continued support of civil society organizations to review specific issues related to legal and human rights and how these are affected by HIV/AIDS;
- Collaboration with SO9 to increase the political commitment of key stakeholders in the public sector, such as members of parliament, key government committee members, and local government;
- Support for workplace programs within key government institutions, including the Ministry of Legal Affairs and the Judiciary, to increase their understanding of the interaction between HIV/AIDS and formal and customary laws; and
- Inclusion of HIV/AIDS in training programs, for example the five-year program to train city managers.

### **National capacity building**

The strategy will give renewed emphasis to pre-service training in order to institutionalize new approaches to prevention and care. Most training in the past ten years has been carried out through in-service workshops and short courses and there is an urgent need to ensure that the advances in prevention and care are now made accessible to all new medical personnel through standardized in-service training modules and courses.

An integrated training manual has been developed, which can be a partial basis for expanding the current pre-service training of all levels of health professionals. The Zambia College of Nurse Midwives has also integrated HIV/AIDS into its training curriculum.

In light of the long-term impact of HIV/AIDS, we need to join with other partners to build a vision of the institutional bases that need to be developed for long-term training. In fields such as social worker training, development worker training, child psychology, psychiatric social work, counseling and psychiatric care, USAID/Zambia could take the lead in catalyzing discussions and in developing a vision for the future with the appropriate professional associations and university departments. HIV/AIDS will affect family structures and relationships for generations to come and yet studies of these changing households and the effects of HIV/AIDS on their members have hardly begun.

**SCALING-UP PREVENTION OF MOTHER-TO-CHILD  
TRANSMISSION INTERVENTIONS IN ZAMBIA  
WITH SUPPORT FROM THE PRESIDENTIAL MTCT INITIATIVE**

USAID/Zambia and the Centers for Disease Control and Prevention (CDC), Zambia

**Current Situation**

Zambia is currently experiencing rapidly growing demands for prevention of mother-to-child transmission (PMTCT) services. High prevalence rates in all nine provinces of the country signal strong needs for expanded PMTCT primary prevention and service delivery interventions. The national HIV prevalence rate measured through the recent population-based Demographic and Health Survey is 16 percent (DHS 2001-2002). New national surveillance data (2002) document prevalence in 24 antenatal sentinel surveillance sites at 25.4% (urban) and 12.4% (rural) with 18.9% combined urban and rural settings (Annex 1). Transmission rate is currently estimated at 35-40% among the approximately 425,000 - 500,000 pregnancies expected annually (CSO Zambia National Census, 2002; DHS 2001-2002). An estimated 25,000 to 32,000 infants are born to HIV seropositive mothers each year who will be HIV positive Zambia currently estimates that at least 70 babies are infected with HIV each day.

Zambia Sexual Behavior Surveys (1998, 2000) document rather high levels of knowledge (94 % for men; 93% for women) about routes of HIV/AIDS transmission from mother to child among Zambians of reproductive age. The recent DHS survey also reports a similar high level of knowledge about HIV transmission risks among pregnant women (DHS 2001-2002). Continued education, however, is urgently needed to ensure that both men and women understand the clinically-demonstrated, effective ways of *preventing HIV transmission from mother to child*. A scaled-up and integrated response to PMTCT service delivery through maternal and neonatal clinics is urgently called for in both rural and urban Zambian settings.

Reducing the high rates of mother-to-child transmission is a high priority for the Government of Zambia and is a critical public health issue of emergency proportions. American partners, USAID/Zambia and the Centers for Disease Control and Prevention (CDC) are committed to supporting a country-wide expansion of the Zambia national PMTCT package that has been adopted. The Zambia partnership team (Annex 2) is prepared to begin PMTCT national expansion with the full support of the GRZ beginning March 1, 2003. Additional financial resources through the Presidential Initiative are urgently needed to realize expansion plans.

Infection rates among pregnant women vary among Zambia's nine provinces. The national surveillance (2002) indicates infection rates among 15-44 year old women range from 6.2 % in rural Kasaba in Luapula Province to 31.8% in Mongu in Western Province near the border with Angola. Data collected from four urban Lusaka antenatal sentinel sites show that between 24% and 31% of urban women attendees are HIV seropositive. In Livingstone, along the border with Zimbabwe, women of reproductive age also experience high infection rates with 31.6% of antenatal attendees being seropositive (National Sentinel Surveillance 2002).

High prevalence rates among both women and men of reproductive age have to be considered when planning for PMTCT services. Most pregnant women in Zambia do not have knowledge of their HIV status when they conceive and even when they initially visit an antenatal clinic. Among couples, women and men often do not know the HIV status of their partner. Primary prevention education should target both women and their future and current partners.





**FIGURE 1. MAP OF ZAMBIA WITH PROVINCIAL BOUNDARIES**

### **Zambia's National Response**

The Government of the Republic of Zambia (GRZ) and collaborating partners are responding to the needs for primary prevention and effective intervention strategies in antenatal settings. Community sensitization efforts began in 2000. Training of health providers through pilot, demonstration and research programs began in 1999 and 2000 in a limited number of target districts. Currently, 43 health facilities are offering services for the prevention of mother-to-child transmission including the provision of ARVs.

The GRZ through the National AIDS Council, the Ministry of Health, the Central Board of Health (CBoH) has recognized the urgency of identifying practical strategies and expanding PMTCT interventions. In 1998, the CBoH invited the LINKAGES program to begin offering infant feeding counseling and other PMTCT services to pregnant mothers in the densely populated Copperbelt region. Lubuto Clinic in Ndola District was selected in consultation with the District Health Management Team (DHMT). In 1998-1999, the Ministry of Health invited UNICEF to include Zambia as one of 13 countries to pilot a PMTCT feasibility study.

Since 1999, a national Technical Working Group on PMTCT has been meeting on a monthly basis to address challenges in PMTCT, share lessons learned, review PMTCT research proposals submitted to Zambia and identify possible additional financial resources. Through USAID/Washington, HORIZONS began to document aspects of the MTCT interventions and carry out operations research in Zambia in mid-1999. The Reproductive Health Working Group has been a forum for the further development of guidelines and advocates for service strengthening and coordination of national reproductive health promotion including Safe Motherhood. Both UNICEF and USAID have championed and advocated for an increased focus on PMTCT since 1999. In 2002, CDC received additional resources to help support PMTCT efforts in Zambia and have joined with the national team to identify areas of need, particularly in strengthening the infrastructure of antenatal clinic settings.

Both USAID- and UN-supported initiatives have incorporated anti-retroviral therapy into a minimum PMTCT package of services now offered at 43 pilot and demonstration sites at public health antenatal facilities.

### **PMTCT Feasibility Studies and Demonstration Programs**

From 1998, LINKAGES worked closely with the Ndola DHMT and a number of national government and local NGO partners to implement an infant feeding and counseling demonstration program with strong community links. When the work was first initiated, pregnant mothers had no access to VCT in antenatal settings. LINKAGES has disseminated lessons learned on training, service delivery, infant feeding counseling and sharing of status. It incorporated Nevirapine as part of the minimum service delivery package in 2002. In 2003, LINKAGES is providing technical support, training, infant feeding counseling, VCT promotion, STI testing and treatment and Nevirapine in Livingstone, Kabwe and Ndola Districts at a total of 25 sites. LINKAGES also provides technical assistance to the DHMT and Medecins Sans Frontiers for PMTCT training in Kapiri Mposhi District and has worked extensively with CBoH to develop national infant feeding guidelines, counseling manuals and national training procedures and a new mass communications strategy.

UNICEF and the Elizabeth Glaser Foundation have been collaborating on several initiatives. The Call for Action Program has had a sufficient supply of Nevirapine to share with LINKAGES for work in Ndola, Kabwe and Livingstone Districts. LINKAGES has provided training expertise in infant feeding counselling.

UNICEF/Zambia has also actively supported standardization and expansion of PMTCT services in the country. It has promoted a standard service delivery package that includes infant formula as an option and either AZT or Nevirapine. Like LINKAGES, UNICEF has worked with Zambia VCT Services to establish and train nurses, midwives and lab technicians in voluntary counseling and testing. The program includes VCT, STI testing, counseling in breast milk substitutes for

seropositive women, counseling on risk reduction during pregnancy, treatment of opportunistic infections and infant formula for seropositive mothers who choose substitute feeding options. In collaboration with CBoH, three sites -- Monze, Mbala and Chipata Clinic, Lusaka, were identified for the feasibility study. Six sites are currently offering PMTCT services through UNICEF support. The question of provision of infant formula as a part of the standard package is being re-evaluated at present.

The Elizabeth Glaser Paediatric AIDS Foundation Call to Action program, with technical support from the University of Alabama, has introduced PMTCT services in Lusaka District beginning in 2000 through its research activities and collaborations with the Lusaka District Health Management Team. Seven health facilities are currently offering a package of PMTCT services in Lusaka District. Acceptance rates of Nevirapine have been high in urban Lusaka clinics. Lusaka District's experience illustrates the critical importance of bringing leadership in every district on board with PMTCT expansion plans.

### **Scaling Up Zambia's National Response to PMTCT**

The primary goal of an expanded PMTCT program is the reduction in the number of new paediatric HIV infections in Zambia by preventing mother-to-child transmission. Zambian providers and planners believe that PMTCT interventions will only be successful in the long term if they are fully integrated into strong maternal and child health clinic settings along with other parts of the Basic MCH package.

In order to achieve the national goal six key objectives have been identified. These are:

- Expansion of VCT services so that they are available in antenatal settings;
- Strengthen antenatal, obstetrical, postnatal and family planning practices that contribute to reducing PMTCT;
- Provision of comprehensive infant feeding counseling within antenatal settings;
- Reducing transmission to infants through drug therapy;
- Promotion of PMTCT mobilization and education activities in communities; and
- Promotion and provision of MCH (non-PMTCT) strategies in antenatal clinics.

The Zambia PMTCT expansion plan follows Guidelines for PMTCT programs and infant feeding counseling established by the World Health Organization and USAID.

Core strategies for achieving the above six objectives at a national scale are:

- The integration of routine VCT into all MCH service delivery settings;
- Creation of demand for VCT and PMTCT services in communities and at national level;
- Capacity-building among health providers who serve PMTCT clients;
- Provision of ARVs to mothers at delivery and to infants within 72 hours of birth;
- Ensuring safe obstetrical practices that reduce transmission risks;
- Provision of skilled, high quality counselors for infant feeding; and
- Strengthening of community networks for persons living with HIV/AIDS (PLWHAs).

### **Current Barriers to Program Expansion**

The Presidential Initiative on PMTCT will provide urgently needed resources to expand PMTCT coverage in Zambia. District level teams supported by the CBoH are actively requesting technical assistance, training, laboratory equipment and VCT facilities. Additional health personnel will be needed to provide adequate infant feeding and post-natal counseling to seropositive mothers and their spouses. Specifically, the initiative can provide resources for addressing current constraints in the service delivery environment that limit program coverage and frustrate full intervention acceptance.

Key constraints currently hinder the progress of PMTCT expansion in Zambia. Barriers to program expansion can be directly addressed through the White House Initiative. These constraints are:

- Limitations on, or a complete absence of, VCT services in many maternity clinic settings;
- Lack of trained PMTCT human resources in maternity clinic settings;
- Lack of appropriate physical space for confidential counseling;
- Lack of financial resources for sharing lessons learned, documentation and program expansion;
- Inadequate drug supplies of Nevirapine for national coverage;
- Absence of a national PMTCT media campaign focusing on behavior change; and
- Inadequate results on incorporation of PMTCT into family planning counseling.

Other factors continue to challenge national PMTCT efforts. PMTCT is still perceived as a woman's health issue rather than one that fundamentally shapes risk reduction among all couples and their reproductive health decisions. Male involvement in prevention education, thus, needs to be mainstreamed. Programs targeting men in sports, workplaces and church settings need to be scaled-up.

High-level advocacy for PMTCT by the national political and church leaders is required in order to reduce the number of infants born with the HIV virus each year. Because fear and stigma still shroud issues of transmission from mother to child, many men and women are reluctant to seek out more information that can help them make informed decisions. National advocacy for all persons to learn their status and to seek counseling at health facilities is needed. National advocacy by the national leadership, traditional leaders, and community leaders will continue to be needed to address the persistence of social stigma.

#### **Approach to MTCT Scale-up**

The GRZ has recently circulated a Strategic Framework and guidelines on the implementation of PMTCT programs in Zambia (CBoH Jan. 2003; Second Draft February 2003). The guidance indicates that that CBoH is fully prepared to work with partners to achieve greater coverage of PMTCT services throughout the country. The GRZ's vision of MTCT is an integrated approach that situates PMTCT interventions within maternal and child health (MCH) services and builds upon existing initiatives in Safe Motherhood. The strategic framework recognizes the groundwork that has been carried out by LINKAGES, through USAID sponsorship, UNICEF-supported initiatives, Elizabeth Glaser Paediatric AIDS Foundation and evaluations by HORIZONS.

The GRZ's call for an integrated approach to PMTCT is congruent with its policies of integrated health services and the incorporation of new, innovative approaches within the existing national health structures.

#### **National Targets, Earmarks and Coverage Goals**

- 100% of first antenatal attendees receive counseling by early 2004;
- introduction and implementation of an opt-out approach to VCT;
- 65% of first antenatal attendees counseled and tested by end of the first year of expansion; and
- coverage of all Zambia's 72 districts with PMTCT services by 2005.

#### **Expansion Plan with Support from the Presidential Initiative**

With additional financial support from the White House PMTCT Initiative, Zambia is positioned well to expand PMTCT service delivery beginning in March 2003. The Presidential Initiative is, indeed, timely for the health sector and its partners in Zambia. A programmatic foundation and a national strategic framework have been put in place and both the GRZ and a group of implementing partners now have implementation experience.

The goals of the GRZ and the Presidential PMTCT Initiative are congruent. Collaborating partners, NGOs and community partners are prepared to support the GRZ's approach to scaling-up PMTCT. The GRZ's emphasis on building an integrated approach to PMTCT that is sustainable within the health system ensures that additional resources will be invested strategically. The Central Board of Health will provide leadership and opportunities for staff training and professional development. District Health Management Teams and their partners will mobilize implementation efforts and ensure community-health facility links.

For the period 2003-2005, Zambia has identified priorities, benchmarks and geographical areas for Phase 1 expansion in PMTCT. The plan calls for each of the nine provinces to develop expertise through training and to integrate a minimum package of PMTCT services into a key MCH facility in the provincial center. Subsequent expansion to districts within each province will follow through use of a training of trainers (TOT) model. The core trainers will spread out to districts within the province to train district level midwives, nurses and other providers in infant counseling, service delivery, VCT and drug use. USAID/Zambia is prepared to provide technical support to the GRZ to establish new PMTCT service delivery points and to strengthen those that have already been established. CDC will provide needed infrastructure, technical support and some testing supplies.

By the end of 2005, expansion of PMTCT services will allow reduction of transmission rates by 20-30%. These goals reflect the UNGASS declaration and goals. By 2005, Zambia will significantly improve the uptake of VCT by antenatal attendees so that at least 50% of all first ANC women receive VCT. The goal is to provide 100% of women with comprehensive infant feeding education/counseling. Rapid VCT testing will provide same day results following internationally accepted gold standards. Through follow-up post test counseling, the goal is for 80% of all women who test positive to receive Nevirapine (or AZT). All HIV negative clients will be encouraged to exclusively breastfeed. Providers and seropositive mothers will develop an optimal feeding strategy that reflects the client's desires, constraints and goals of a healthy infant that is free of the HIV virus.

Building human capacity and strengthening the physical space within existing MCH clinics will be fundamental to carrying out the proposed plan. Needs for technical assistance in training, assuring a rigorous documentation system, timely drug distribution, strengthening of VCT services, infrastructure development and expanded information, education and communication (IEC) initiatives can be met by building on the existing MTCT partnerships.

#### **Minimum PMTCT Service Delivery Package**

The minimum package for MTCT expanded sites will focus on the core interventions that will ensure Zambia achieves its goal of reducing the number of cases of paediatric AIDS. The minimum package will include

- Routine Voluntary Counseling Testing, pre-test and post-test;
- Infant feeding counseling;
- Drug supplies of Nevirapine (or AZT) for seropositive mothers and their infants;
- Syphilis testing;
- Screening for malaria in pregnancy and prophylaxis; and
- Post-natal care and referral to appropriate community support groups.

Screening for TB is highly desirable but will not be considered as part of the core minimum service delivery package. Some antenatal centers in the country already have provisions for TB screening and are providing prophylaxis when needed.

#### **Training Designs**

residential with on-site practica following initial instruction. As central to an expansion strategy, however, Zambia will create a more cost-effective approach to training key personnel including nurses, midwives, clinical officers and physicians. PMTCT Training approaches will combine lecture presentations with practical instruction in the service delivery setting.

During January 2003 the PMTCT Working Group coordinated the collection and review of all PMTCT training materials that have been developed in Zambia. Training manuals targeting key groups of health workers have been developed. These include Trainees Manuals, a Manual for PMTCT Trainers and abbreviated training guides for health administrators and physicians. Additional curricula are needed for use in provinces that will implement Training of Trainers (TOT) workshops as a part of PMTCT national expansion.

### **Geographical Expansion**

Phase 1 expansion will target provincial centers in Lusaka, Livingstone, Ndola, Kabwe, Chipata, Mongu, Mansa, Kasama and Solwezi. These are the same nine provincial centers where the GRZ plans to expand access to anti-retroviral therapy. USAID/Zambia through LINKAGES is already working closely with District Health Management Teams in Livingstone, Kabwe and Ndola Districts. Elizabeth Glaser funding is support work in Lusaka District. With an expanded group of partners, and sufficient resources from the Presidential Initiative, USAID/Zambia could provide technical assistance and training expertise in five provinces.

### **Behavior Change Communication**

LINKAGES with USAID support and UNICEF have a strong commitment to work with the Central Board of Health to continue planning and implementing a PMTCT Behavior Change Communication initiative during 2003-05. Both community level communication programs and national mass media campaigns are urgently needed in Zambia in order to change perceptions, behaviors and social norms regarding the prevention of mother to child transmission.

- **Guidelines for PMTCT Strategy Development.** Partners in Zambia have already developed several draft documents on the key objectives and parameters to guide PMTCT communications.
- **Channels of Communication.** Both interpersonal communication and mass media communication will be utilized in order to increase levels of knowledge and change behavior regarding PMTCT.
- **Audiences and Message Targets.** Health workers, pregnant mothers and male partners as well as youth with among the key be targets for different sets of messages.
- **Message Content and Field Testing.** Delivery of a clear, very direct set of messages that community members can act upon requires immediate planning and attention from PMTCT implementing partners.

(Notes below:

“Everyone needs to know their HIV/AIDS status prior to planning a pregnancy and always know their status before time of delivery. “

“Come in and talk. We can now reduce chances of HIV infection in new born babies.”

### **Mass Media Campaign**

#### **The Roles of Neighborhood Health Committees, Community Health Workers, Peer Educators and Volunteers**

Community leaders, NHC and peer educators can play a strong role in sharing information about ways of preventing MTCT and reducing the currently high level of social stigma that prevents many people from learning their status.)

## **Monitoring and Evaluation**

Antenatal facilities are currently monitoring and tracking the progress of PMTCT program activities using registries within clinic sites. The MTCT Working Group and LINKAGES submit quarterly and yearly reports on program results. These results have been shared with all partners. A review of current registries in use and standardization will be carried out in early 2003. Zambia is committed to utilizing internationally recognized indicators and working to achieving UNGASS goals. CDC is interested in providing technical support and coordination for a strong national PMTCT information system that is linked to Zambia's Health Management Information System (HMIS).

Core indicators have been selected. They include the following:

### *Training indicators*

1. Number of trainers trained and available, by province
2. Number of training courses held in last 30 days by province
3. Number of trainers trained in last 30 days by province district
4. Percentage of all health training institutions that have incorporated PMTCT into current curricula
5. Percentage of providers newly trained or retained in last 30 days

### *Counselling and testing indicators*

1. Number and percentage of first antenatal attendees counseled
2. Number and percentage of pregnant women counseled (pre- and post-) and tested
3. Number and percentage of pregnant women who receive VCT test results
4. Number and percentage of pregnant women testing seropositive
5. Number of partners counseled and tested

### *ARV prophylaxis*

1. Number and percentage of pregnant women receiving Nevirapine or AZT
2. Number and percentage of infants of seropositive women receiving ARVs within 72 hours of delivery

### *Exclusive breastfeeding*

1. Number and percentage of mothers opting to exclusively breast feed
2. Number and percentage of mothers opting for replacement feeds

### *Service Delivery Points*

1. Number of PMTCT service delivery points in public and private sectors providing the PMTCT minimum package by province and district.
  - Behavior Change Communications
  - National PMTCT Data Base
  - Community Mobilization
  - Renovation and Expansion of Existing Facilities

## **Sharing Results and Lessons Learned**

The World Health Organization, UNICEF and Central Board of Health supported a productive meeting of PMTCT stakeholders in Lusaka on February 20-21, 2003. The national PMTCT Working Group, LINKAGES, University of Alabama, JHPIEGO, CDC and USAID/Zambia were among the active participants.

The HORIZONS Program will help to coordinate a scientific meeting in Lusaka in late March and a follow-up meeting with national policy leaders in early April 2003 for all current partners engaged in PMTCT implementation. Preparations are underway for a series of thematic presentations and discussion panels.

**Future Opportunities**

PMTCT partners in Zambia are working together for a scaled-up response in the country. An estimated 70 infants each day are infected by HIV/AIDS from mother to child. Both the expansion of financial and human resources are urgently needed in Zambia to meet the needs of health providers and the families that they serve.

**Notes**

<sup>1</sup>Strategic Framework and Work Plan for the Expansion of Integrated PMTCT Services 2003-2005, Second Draft, Lusaka: Central Board of Health, February 2003.



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**Annex 1**  
**DHS Seroprevalence by Province (2001-2002)**

Table 1. HIV prevalence in Zambia by age, residence and province among men and women age 15-49

Demographic Characteristics	Women		Men		Total	
	% HIV +	No. Tested	% HIV+	No. Tested	% HIV+	No. Tested
AGE						
15-19	6.6	498	1.9	366	4.6	864
20-24	16.3	443	4.4	309	11.4	752
25-29	25.1	363	15.0	318	20.4	681
30-34	29.4	274	20.5	260	25.1	534
35-39	22.6	210	22.4	227	22.5	437
40-44	17.3	154	20.5	153	18.9	307
45-49	13.6	131	20.2	101	16.5	232
RESIDENCE						
Urban	26.3	808	19.2	676	23.1	1,484
Rural	12.4	1,265	8.9	1,058	10.8	2,323
PROVINCE						
Central	16.8	171	3.4	135	15.3	306
Copperbelt	22.1	423	17.3	352	19.9	775
Eastern	16.1	252	11.0	219	13.7	471
Luapula	13.3	167	8.6	133	11.2	299
Lusaka	25.0	296	18.7	263	22.0	559
Northern	10.0	283	6.2	234	8.3	517
North-Western	8.8	92	9.5	75	9.2	166
Southern	20.2	220	14.6	188	17.6	408
Western	16.9	169	8.3	136	13.1	306
Total	17.8	2,73	12.9	1,734	15.6	3,807

Source: Zambia Demographic and Health Survey, 2001-02. Preliminary Report, Washington: Measure DHS+ ORC Macro, 20001-02.

The recent population-based survey, which includes both males and females, indicates provincial infection rates vary from 8.3 percent in rural Northern Province to 19.9 in urban Copperbelt Province and 22.0 percent in Lusaka Province (DHS 2000-2001). HIV/AIDS infection rates among both men and women of reproductive age (15-49 years) are high in all regions of the country. The DSH further documented the proportion of HIV positive women ranging from 8.8 percent in North-Western Province to 25.0 percent in Lusaka Province.

**Annex 2**  
**List of Current MTCT Partners in Zambia**

Government of the Republic of Zambia  
Central Board of Health  
National AIDS Council  
University Teaching Hospital  
Zambia VCT Services

Collaborating Partners  
Centers for Disease Control and Prevention  
Elizabeth Glaser Paediatric AIDS Foundation  
LINKAGES  
JHPIEGO  
JICA (through a research study at UTH)  
NORAD  
UNAIDS  
UNICEF  
USAID/Zambia  
USAID/Washington through HORIZONS

Implementing Partners in the Public Sector  
District Health Management Teams in  
Lusaka, Livingstone, Mbala, Monze, Ndola, Kabwe, Nchelenge  
Catholic Mission Board through CHAZ beginning 2003  
Chipata Clinic, Lusaka  
Lobutu Maternal and Child Health Clinic, Ndola  
Keemba Rural Health Centre, Monze  
LINKAGES  
Project Concern International (PCI)  
Mahattma Ghandi Health Centre, Kabwe  
Maramba Health Clinic, Livingstone  
Mbala General Hospital  
Medecin San Frontier (MSF)  
Monze Mission Hospital  
Mtendere Health Centre, Lusaka  
University of Alabama (UAB)  
University Teaching Hospital (UTH)  
Zambia Counseling Council (ZCC)

Implementing Partners in the Private Sector  
Konkola CopperMines Clinic, Chingola  
Konkola CopperMines Clinic, Chililabombwe

MTCT Research Partners  
HORIZONS  
Boston University  
Zambia Exclusive Breastfeeding Study  
University of Alabama  
University Teaching Hospital

**ANNEX G: ENVIRONMENTAL THREATS AND OPPORTUNITIES  
ASSESSMENT**

ENVIRONMENTAL ANNEX  
2004-2010 Zambia Country Strategic Plan

SUMMARY OF  
ENVIRONMENTAL THREATS AND OPPORTUNITIES ASSESSMENT  
with Emphasis on Tropical Forestry and Biodiversity Conservation

<b>I. BACKGROUND</b>
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USAID/Zambia is currently in the process of developing a seven-year Country Strategic Plan (CSP: 2004-2010) wherein the Mission will align its proposed strategic objectives with the Government of Zambia's (GRZ's) Poverty Reduction Strategic Plan (PRSP). The PRSP has become the GRZ's guiding strategy for all its development efforts. Alignment of USAID/Zambia's program with the PRSP will signal support for the GRZ's poverty reduction strategy and will enhance synergies across sectors, and increase management efficiency.

In this context, USAID/Zambia recognizes that protection of the environment and wise management of the natural resource base are absolute requirements of any successful development program. The degradation of natural resources contributes to higher levels of poverty, while high incidences of poverty lead to reduced environmental stewardship.

USAID contracted with Pathfinder Limited to conduct an Environmental Threats and Opportunities Assessment (ETOA) for Zambia. This report presents an overview of the environmental sector in Zambia and provides a threats and opportunities assessment with regard to USAID/Zambia's proposed Country Strategic Plan for Zambia.

The formal environmental requirements of USAID operating unit strategic plans are spelled out in ADS 201.3.8.2 Environmental Analysis under 2001.3.8 Mandatory Technical Analysis for Developing Strategic Plans, are derived from provisions of the Foreign Assistance Act (FAA) including:

- Environmental Sustainability. Section 117 of the FAA "*Environment and Natural Resources*," dictates that operating units will implement their programs with an aim toward maintaining (and restoring) natural resources upon which economic growth depends, and to consider the impact of their activities on the environment.
- Tropical Forestry and Biological Diversity. Sections 118 "*Tropical Forests*" and 119 "*Endangered Species*" of the FAA codify the more specific U.S. interests in forests and biological diversity. These two provisions require that all country plans include: 1) an analysis of the actions necessary in that country to conserve biological diversity and tropical forests; and 2) the extent to which current or proposed USAID actions meet those needs. Section 118/119 analyses are specific legal requirements of all USAID operating unit strategic plans.
- Agency Environmental Procedures. 22 CFR 216 provides the basis for the application of pertinent US environmental legislation and policy. This legislation and supporting guidance from USAID/Washington directs Missions to conduct assistance programs in a manner that is

sensitive to the protection of endangered or threatened species and their critical habitats within the project activity cycle. While FAA Sections 117-119 address the analytic requirements for USAID Missions during the strategic planning process, 22 CFR 216 is designed to guide the evaluation and conduct of specific development interventions within the project development and management cycle.

The Environmental Annex is a CSP-specific analysis that examines environmental threats and opportunities inherent to the Mission's strategy and assesses the extent to which the Mission's strategy incorporates or addresses tropical forests and biodiversity concerns. This assessment does not substitute for the Initial Environmental Examination (IEE). Each SO Team is responsible for ensuring that an IEE or a Request for a Categorical Exclusion is conducted at the SO level for all activities funded by USAID.

In this context, this document explicitly supports the USAID strategic planning process by providing a broad overview of threats facing the environment in Zambia, based on available data and interviews with expert informants within and outside the Mission. This assessment focuses on the conditions and framework of forest and biodiversity conservation in Zambia, and the proposed CSP's impacts thereon.

## **II. PURPOSE**

This analysis of environment and natural resources in Zambia was conducted for the purpose of delivering to USAID/Zambia a countrywide Environmental Threats and Opportunities Assessment (ETOA) that will inform the Environmental Annex of the USAID/Zambia Country Strategic Planning (CSP) process. Specifically, the objectives of the ETOA are to:

- i) Assess and document the current state of identified natural resources, quantifying trends in their management, biophysical condition, productivity, abundance and distribution and identify threats to which they are subjected;
- ii) Conduct an evaluation and analysis of how past events and current initiatives (both Zambian and donor) have shaped the country's development trajectory, highlighting the performance/indicator levels. The concern is how Zambia's response to development setting, its geo-political position in the Southern African region and its internal development agenda are currently affecting environmental sustainability (as codified in the Foreign Assistance Act, Part I, section 117).
- iii) Identify opportunities and entry points of USAID/Zambia efforts under the new CSP that will positively influence the conservation and natural resources (wildlife, forests and soils) and improve environmental management.

The accomplishment of the above objectives was to ensure that the USAID/Zambia's CSP was adequately informed by providing:

- An overall understanding of development threats to environment and forests;
- An assessment of the environmental threats and opportunities within the Mission's geographic and programmatic scope of responsibility;
- Basic compliance with the environmental provisions of the FAA;

- Identify opportunities and entry-points for USAID/Zambia efforts under the new CSP that will positively influence the conservation of tropical forests and biodiversity and improve environmental management.

### III. THE ZAMBIAN CONTEXT

#### A. The Physical Setting

Zambia is a sub-tropical Country covering an area of 752,972 km<sup>2</sup>, and with an average altitude of 1,200m above sea level. The altitude varies from 1,500m - 2,000m in the northeast; to 350m – 600m in the south at the confluence of the Zambezi and Luangwa rivers.

Zambia's landmass is characterized by three **agro-ecological zones**:

**Region I** covers the eastern and southern rift valley areas and the southern parts of Western and Southern Provinces. It is characterized as semi-arid, having a hot and dry climate, with rainfall of less than 800mm per annum, and a short growing season of between 80 and 120 days. The rainfall is highly variable and unreliable within one rainy season, making agricultural investments risky.

**Region II** covers the Sandveld Plateau zone of Central, Eastern, Lusaka and Southern Provinces. The region is a medium rainfall zone with 800-1,200mm per season and has a growing season of 120-150 days. Historically, the most productive region of Zambia, some soils in the region have been depleted due to over-farming and poor stewardship.

**Region III** is part of the Central African plateau covering Northern, Luapula, Copper-belt and North Western Provinces, as well as parts of Serenje and Mkushi Districts. The region is a high rainfall area of 1,200mm and above, and has a growing season of up to 190 days. The high rainfall has resulted in considerable leaching and the soils are highly acidic, limiting the range of crops that can be grown, especially if more management-intensive farming practices are not employed.

#### Soils

In general, the soils that have developed on the plateau region of northern and north-western parts of the country in *agro-ecological Region III* are the *strongly weathered, highly leached and very strongly acid clayey to loamy soils*. The eastern and south central plateaus *have moderately leached clayey to loamy soils with medium to strong acidity*. These soils are found in *agro-ecological Region II*. In the western part of the country the soils are *very strongly to strongly acid, coarse to fine sandy soils* with more than 90% quartz developed over Kalahari sands. This constitutes *agro-ecological Region II*. The soils of the escarpment zone are *shallow, coarse to fine loamy*. The valley trough has *loamy to clayey soils*. The last two geomorphic units *constitute agro-ecological Region I*. The *sandy to heavy clay water-logged soils* are found in the floodplains and dambos.

#### Climate

Zambia's climate is influenced by the three main factors: the Inter-tropical Convergence Zone (ITCZ), Altitude and El Nino. ITCZ is an area where two air masses from the northern and southern hemisphere meet, producing an active convective area that, in turn, causes rainfall.

Zambia is characterized by three distinct seasons: the warm rainy season (November to April); the cool dry season (May to July); and the hot dry season (August to October). The Country experiences temperatures ranging from 16°C to 27°C in the cool-dry season and from 27°C to 38°C in the hot dry and warm rainy seasons. The high altitude areas experience cooler temperatures than the low-lying regions.

### Water

Zambia is well endowed with surface and ground water resources. The major perennial rivers constituting surface water include the Zambezi, Luangwa, Kafue, Kabompo, Luapula and Chambeshi. The major lakes of Zambia are Bangweulu, Kariba, Tanganyika and Mweru.

Surface water from these rivers covers about 6% of the Country (ZFAP, 1998). If all the wetlands are included, surface water covers 20% of Zambia's land area (Chabwela, *et al*, 1994). The water bodies also constitute wetland areas of Zambia such as Kafue Flats, Bangweulu Flats, Zambezi Flood Plain and Luangwa Valley Flood Plain. Some of these wetland areas are listed as wetlands of international importance under the Ramsar Convention.

## **B. Agricultural, Demographic and Social Elements**

### Agriculture

Agriculture is the mainstay for the majority of households in Zambia. It provides the bulk of food and cash requirements. Much of this is dominated by small-scale farmers, representing 79% of the farming community (IFAD, 1993). Current estimates put the total number of small-scale farmers at 600,000 (MAFF, 1998). Large-scale farmers are estimated at 1% of the total farming population, while emergent/medium scale farmers constitute 20% of the farming population. The sustenance of agricultural production and land productivity at certain levels has meant adoption of farming systems and technologies by different categories of farmers depending on the agro-ecological zone.

### Population

Zambia's population has grown rapidly over the years. Zambia's population enumerated at 4.1 million in 1969, grew to 5.7 million in 1980, and 7.4 million in 1990. In 2001, it was estimated to have grown to approximately 10 million. The estimated population growth rate was 3.1%, which was one of the highest in the world, implying approximately a 23-year doubling time of the population (UNDP, 1998). This growth rate has recently declined to 2.9%. The structure of the population is characterized by a high proportion of youth - 51% under 16 years old - indicating a high dependency ratio. Such indications underline a considerable momentum for future population growth. This growth of the population is due mainly to high fertility rates, calculated at 6.7 children per woman, and reduced mortality rates. The fertility rates are considered one of the highest in Africa. Fertility rates are even higher in rural areas (7.0 children per woman) as compared to urban areas (6.3 children per woman). This is due to lower levels of literacy and contraceptive use. High fertility rates, complimented by lowered mortality rates between the 1960s and 1980s, led to the rapid increase in the Zambian population.

Availability of water is another factor, which affects population distribution. People settle along perennial streams or major rivers, around swamps, lakes or big dambos (swampy areas) for water supply, agriculture (including livestock) and fishing.

The other factor is tsetse fly distribution. Areas infested with tsetse flies are sparsely inhabited due to the prevalence of trypanosomes, which affect both livestock and humans.



### Poverty

Measured in terms of real household incomes, expenditures, asset ownership, nutritional status, disease incidence and access to quality social support service and amenities, in 1991, 68% of Zambians were living below the poverty line. In 1996, the figure was 78%, with a slight decline to 73% recorded in 1998.

The incidence of poverty according to the 1998 survey is higher in Zambia's rural and peri-urban areas (83%) like Western Province, than urban areas (56%) (CSO, 1998). In terms of various strata, poverty is more serious among the most disadvantaged groups of society, namely the subsistence farmers, unemployed, women, children and the disabled.

There is a high correlation between poverty and environmental degradation as a result of poor people's dependence on exploitation of the environment for survival (UNDP's Zambia Human Development Report, 1998). The poverty situation in Zambia intensifies resource overuse and its degradation.

## **C. Legislative and Institutional Framework**

### Environmental Legislation

Zambia lacked a clear and consistent environmental management policy until the mid 1980s. Accordingly, environmental concerns were not a major input in the social and economic development processes of the country. In addition to the absence of a consolidated 'environmental policy', there has been a myriad of various pieces of legislation dealing with different aspects of the environment; some dating as far back as the pre-independence era and others have not been reviewed. These pieces of legislation were scattered in different Acts relating to many activities such as use of water, wildlife, land, mining and others. These have been noted to be rudimentary, sectoral, scattered and at times contradictory to each other (Mweene, 1998, after Imboela, 1996).

The government attempted to overcome this problem through the formulation and implementation of the National Conservation Strategy (NCS) in 1985. This saw and marked the beginning of serious attempts by the government to incorporate environmental management considerations including issues of land degradation in the mainstream development process of the country. Apex institutions, Environmental Council of Zambia (ECZ) and the Ministry of Tourism, Environment and Natural Resources (MTENR) were created, including the enactment of the Environmental Protection and Pollution Control Act (EPPCA).

The Government of the Republic of Zambia (GRZ) has identified and recognized deforestation, water pollution, inadequate sanitation, land degradation, air pollution in mining areas as factors which all lead to biodiversity loss. The development of the Zambia Forestry Action Plan (ZFAP) forms part of the National Environmental Action Plan (NEAP) adopted by the Government of the Republic of Zambia a policy frame work in 1994.

The ZFAP was set in place in response to the 1985 summit on Environmental degradation recommendation that National Forestry Action Plans should be developed to address the problems of deforestation and to enhance the contribution of forestry sector to national social economic development. However, the objectives as outlined in the Zambia Forestry Action Plan appear far from being achieved owing to a chronic shortage of information on the dynamics, content, context and extent of the country's ecological profile.

There are twenty-eight pieces of environmental legislation in Zambia. These laws, in general, provide for the conservation of natural resources or for the protection of the quality of the environment i.e. pollution control. In this regard the major pieces of legislation providing for conservation of natural resources are the National Parks and Wildlife Act, the Forests Act, the Fisheries Act, the Water Act, the Environmental Protection and Pollution Control Act and the Local Government Act.

### *Institutional Framework*

As provided for under the Wildlife Act No. 12 of 1998, ZAWA (Zambia Wildlife Authority) is a body corporate with perpetual succession and a common seal, capable of suing and being sued, using its corporate name. The functions of ZAWA include among others:

- To control, manage, conserve, protect and administer National Parks, Bird and Wildlife Sanctuaries, and GMAs, and to co-ordinate activities in these areas.
- To adopt methods to ensure the sustainability, conservation and preservation in the natural state of habitats and biodiversity in the above protected areas.
- To prepare and implement management plans for these protected areas, in consultation with local communities and key supporters of the Authority.
- In partnership with local communities, to grant hunting concessions to hunting outfitters in GMAs, and designate areas to photographic tour operators in National Parks and GMAs.

The legal status of all protected areas in Zambia is embodied in the Zambia Wildlife Act No. 12 of 1998. Under this piece of wildlife legislation biodiversity is conserved and managed under two categories of Protected Areas namely; National Parks and Game Management Areas.

The Zambian government has recognized that protection, conservation, improvement, vegetation studies and natural resources inventories are the fulcrum for sustainable development (NCDP, 1994). In 1990, parliament passed the EPPCA No. 12, which provided for the formation of the Environmental Council of Zambia (ECZ) – a body instituted in 1992 to monitor, among other issues, natural resources and supervise EIAs. Government holistically revisited the National Conservation Strategy (NCS) through the development of the National Environmental Action Plan (NEAP, MENR, 1994) whose priority areas include, among others, forests and vegetation.

Despite these impressive documents, there has been no management plans of natural resources in the post-independence era compounded by the lack of information which could otherwise, had been developed through intensive and extensive inventories of Zambia's ecology. In general, wasteful traditional agricultural methods, instincts of survival arising from poverty levels and population pressure has accelerated the depletion of natural resources, albeit without statistical records.

Increased official rhetoric on the virtues of community based resource management and growth in the number of programmers, projects and in some instances forest inventory and or vegetation studies are welcome developments. However, they are insufficient to ensure the success of sustainable forestry management and development.

#### IV. ENVIRONMENTAL STATUS AND THREATS

##### A. FORESTS

The total area of indigenous forests in the country is about 44.6 million hectares and cover about 60 percent of the total land areas out of which about 9.6 percent are gazetted forest. There are variations in the vegetation types found in the country, but the most extensive is the Miombo Woodlands. The natural vegetation formation has been influenced by a combination of geographical and geological factors. The Teak forests found in the south-western parts of the country are rich in commercial timber species namely *Baituidla plurijuga* and *Pterocarpus angloleusis*. The conversion of forests into agricultural land is a threat to Zambian forests in open areas and protected reserves while settlements in wetland areas have negative effects on surrounding forests to the wetlands. The loss of forests is leading to loss of bio diversity.

The country's vegetation is classified into four major categories (Storrs, 1995). These are *Closed Forests*, *Open Forests*, *Termitaria* and *Grass Lands*.

The closed forests are limited in extent, covering only about 6% of the country. The *Cryptosepalum* evergreen forests are the most extensive and occur in the western part of the country, while the *Baikiaea* forests, found in the south west parts of the country, are the second most extensive forests characterized by the commercially valuable indigenous tree species known as *Baikiaea plurijuga*.

The open forests or woodlands known as Savannah woodlands are the dominant vegetation type in Zambia covering 66 % of the land. There are four types of these woodlands of which the most extensive being the Miombo woodlands that covers about 42% of the country characterized by the *Brachystegia*, *Julbernadia* and *Isobertinia* species. This is followed by the Kalahari woodlands, Mopane, Munga and *Termitaria*.

##### Threats to Forests

###### Deforestation

Deforestation is the widespread removal and disappearance of vegetative cover as a result of clearing of trees. In Zambia, the average rate at which forests are deforested is estimated at 250,000-300,000 hectares per annum and the annual forest decrease factor is 0.5% on average. The annual decrease-factor of forests, by province, is as follows: Copperbelt and Lusaka have the highest at 20% per annum, followed by Southern (0.7%), Central (0.6%), Eastern (0.5%), Luapula (0.5%) and Northern (0.3%). The least are Western (0.2%) and North Western (0.2%). Deforestation is taking place both in forest reserves and open areas. Management efforts appear to fail to halt the situation. These figures are, however, conservative ones, as these estimates are based on the 1980s inventories and the rate of deforestation could be higher at the present moment.

###### Desertification

The desertification problem in Zambia is caused by several factors and has negative impacts on the people and the environment. Some of the root causes of this problem include among others natural, environmental, social, economic and land tenure factors, as well as, institutional, policy and legal issues. Zambia's biophysical environment is quite sensitive and fragile, particularly the southern half of the country in terms of steep slopes (escarpment areas), soils, climate and water availability.

Most of Zambia is a plateau, but due to geomorphologic processes that have taken place over a geological time-scale, this plateau and some hilly areas have been degraded. This is particularly true for eastern and southern parts of the country, which are covered by hilly escarpments and complex zones that form parts of the rift valley systems. These parts of the country have slopes of over 12%. The escarpment system is a very sensitive zone, in terms of the erosion hazard. Any disturbance to the vegetation cover in these areas can cause severe land degradation. Even though 80% of the country has no erosion hazard (NCS, 1985; Chipungu, *et al*, 1994; Chiti, 1989), there are many localized areas where the problem of erosion has been severe due to an inter-play of natural factors and human activities.

### Land-Tenure and Property Rights

In Zambia, land is divided into Customary and State Land. Customary land as defined by the 1995 Lands Act is land falling under traditional rulers and chiefs and constitute 94% of the total land area in Zambia. State land is mainly along the line of rail and is owned by the state. It constitutes 6% of the total land surface area of Zambia.

The 1995 Lands Act abolished the distinction between two types of land but combined them into Customary land under customary tenure. The local residents, through chiefs, can obtain title to land. This entails assigning ownership to individuals and guaranteeing to those owners control of access and to the right of socially acceptable uses. This Act recognizes the traditional systems and the role of traditional leaders in natural resources management through community participation.

### Agricultural Practices

Clearing forests for agricultural production is the major cause of deforestation. In Zambia, it is estimated to account for about 90% of forest clearing. Most of the agricultural activities such as large-scale agricultural clearing systems, cultivation along streams or riverbanks and the semi-shifting cultivation prevalent in Zambia have resulted in detrimental effects on the environment. It has been observed that the cut and burn semi-shifting cultivation practice in areas where population densities are high, and the destructive method of cutting trees is employed, slows down the forest regeneration process.

### Fuel Wood Use

Energy resources available in Zambia include wood fuel, electricity, petroleum, coal, solar and wind. The national energy consumption in 1996 showed that 72% was fuel wood (firewood and charcoal). It is important to note that out of the total energy resources available, households consume 68.5%. Fuel wood constitutes the largest resource base. In the same year it was reported that households consumed 88% of firewood and 96% of charcoal. Charcoal is used by 85% of urban households for cooking and heating (Siamwiza, 1999).

The current trend of wood fuel consumption is projected to increase by 79% and the amount of wood that is converted to charcoal is expected to increase by 119% by the year 2016 (ZFAP, 1998). This demand has implications on the available forest resources. Due to the high demand and high prices it fetches in urban areas, charcoal is increasingly becoming an important source of income for the peri-urban people.

### Bush Fires

Setting of bush-fires is a common phenomenon in the Zambian society. Some fires are set indiscriminately. Various communities set bush-fires for a number of reasons which include:

vegetation control and clearing of fire-breaks around homesteads and gardens, clearing of fields for cultivation, provision of potash, visibility improvement during hunting, as well as, gathering and pasture management.

Fire destroys the vegetative cover in the agriculture areas, which is meant to add organic matter to the land. Indiscriminate late bush fires have been observed to reduce wood annual increment by 50% in miombo woodland (NEAP, 1994). However, deliberate late burning of pasturelands can indeed increase their productivity (a late season burn favors regeneration of grasses, rather than woody species).

#### **Recommendations to alleviate pressures on forest resources:**

- Broaden the focus of ZFAP (Zambia Forest Action Plan) and build the capacity to formulate and implement the program through participatory and cost effective processes, with full support from government, private sector, NGOs and the donor community
- Promote and support a program of afforestation, reforestation, community forestry and agroforestry
- Direct work of extension on organizing and training communities in preparing and maintaining community owned nurseries and fodder banks for supplying planting materials, managing wood lots and in sustainable utilization of these resources
- Promote awareness creation and train communities to draft and implement by-laws in order to sensitize communities to reduce indiscriminate cutting of trees
- Introduce and implement an incentive scheme to encourage communities to plant and replant trees within their vicinities
- Develop policies for Forestry Sector that should keep prices of forestry products at commercial levels
- Establish mechanisms for more equitable sharing of the benefits from the forests

#### **B. WETLANDS**

The following table summarizes the major wetlands in Zambia in terms of their type, system, location and approximate coverage where available. It can be seen from the table that Zambia has extensive and diverse wetlands of considerable local and international importance, which cover approximately 14% of the country's surface area, and include areas of montane bog, wet forests, dambo, swamp, marshes and flood plain types. Dambos are the most extensive covering 10%, while swamps, marshes and flood plains cover the other 4%. Zambia is considered the wettest country in the SADC region in terms of fresh water.

**Table 5.1 - Extent of Major Wetlands in Zambia [1]**

<b>Natural</b>	<b>Wetland</b>	<b>System</b>	<b>Type</b>	<b>Location</b>	<b>Coverage Km<sup>2</sup></b>
	Bangweulu	Lake	Marsh and swamp	Northern	11,000
	Zambezi flood plain	Riverine	Flood plain	Western	9,000
	Kafue flats	Riverine	Flood plain	Central, Southern and Lusaka	6,500
	Mweru	Lake	Swamp and Marsh	Luapula	4,500
	Chambeshi plains	Riverine	Flood plain	Northern	3,500
	Lukanga swamps	Riverine	Swamp and Marsh	Central	2,500

	Busanga plains	Riverine	Flood plain	North western	2,000
	Mweru wa Ntipa	Riverine	Swamp and marsh	Northern	1,300
	Dambos	Palustrine	Plain	Country wide	75,260
	Tanganyika	Lake		Northern	
<b>Man made</b>	Kariba	Lake		Southern	
	Itezhi-tezhi	Lake		Southern	

Zambia's wetlands are valuable economic assets from which a variety of resources are obtained. The wetlands are a source of domestic water and hydroelectric power. In addition, they provide a habitat to a variety of fish, birds and large mammals - some of them endemic to Zambia. The wetlands also provide an agricultural system that provides an alternative to the rain-fed system with lower risk from crop failure due to drought.

### Threats to Wetlands

The following table summarizes the major threats to the wetlands in Zambia. It can be seen from the listed threats that anthropogenic causes are the major threats although natural causes such as climate change do pose a threat.

#### 2. Major threats to wetlands in Zambia

<b>Threat</b>	<b>Examples of areas of risk</b>
Agriculture	Nearly all wetlands of southern parts
Construction of roads	Along major road networks
Dams	All dams especially lower Zambezi
Drainage for agriculture and settlements	Zambezi flood plain, Lukanga and Bangweulu
Dredging/canalization	Zambezi flood plain, Lukanga and Bangweulu swamps
Discharge of agro-chemicals	All parts of Zambia
Eutrophication	Urban areas
Land fills and waste dumps	Urban areas
Fires	All parts of Zambia
Human settlements	Luapula, Bangweulu, Kafue flats, and Lukanga swamps
Irrigation	Kafue flats and Luapula
Land tenure	All parts of Zambia
Mining	Kafue flats
Over fishing	All rivers, lakes and flood plains
Over grazing	Most parts of Eastern, Southern, Central and western
Poaching	All parts of Zambia
Industrial and domestic waste	Urban areas
Deforestation	All parts of Zambia
Siltation	Luangwa river
Water abstraction	Kafue flats, Zambezi River and Kafue River

Even though Zambia has extensive wetland resources, planned management of these resources does not exist. The greatest threats to wetlands in Zambia are a result of unsustainable competing uses. The sustainability of wetland resources is threatened essentially by the lack of appreciation of the values of wetlands, the lack of coordination of their utilization and their fragmented management.

## **Recommendations to conserve water and wetland resources**

- Promote preparation and implementation of community catchment plans on public and customary forestlands on a sustainable use basis,
- Promote techniques for the development of surface and ground water for humans, agriculture and livestock,
- Encourage rain water harvesting, including damming for interception of seasonal streams, grass strips and crop mulching,
- Promote small scale irrigation schemes as well as adoption of appropriate irrigation methods,
- Promote increased tree planting in degraded areas,
- Promote reduced use of wood fuel through the use of fuel-efficient stoves for wood and charcoal using models that are culturally adaptable,
- Develop and promote low-cost alternative sources of energy (non-wood fuels)
- Promote photo-voltaic electricity applications
- Promote awareness among the local population through massive campaigns about the value of the water catchments and trees in particular.

## **C. SOILS**

Zambia is part of the Central African plateau. The plateau can be conveniently divided into an aggraded and a degraded plateau. In addition, the Northeastern part of the country has a montane zone and the Eastern and Southeastern parts have relatively deep rift valleys flanked by faulted escarpment zones. Soil characteristics were briefly discussed in an earlier section of this annex, and greater details concerning soils are available in the larger ETOA document.

### **Threats to soil Integrity and fertility**

Zambian soils are threatened by anthropogenic and natural causes. The anthropogenic causes are divided into:

- **Bad agricultural practices** - shifting cultivation practiced especially in the Northern Province which leads to soil erosion.
- **Deforestation** due to the growing demand for forest products especially fuel wood.
- **Waste disposal** -many local authorities lack capacity to adequately dispose of municipal waste, commercial waste, industrial waste and hazardous waste, which end up contaminating large tracts of soil.
- **Agricultural chemicals** -the increased use of fertilizers contributes to soil acidity, pesticides used on agricultural lands lead to contaminating the soils and leach into underground aquifers.
- **Other toxic substances**- emission of Sulphur dioxide from mine smelters and acid plants into the air reduces soil fertility in the surrounding areas.

### **Recommendations to conserve soils and arrest desertification**

- Provision of bench marks for assessing land degradation,
- Assessing the extent and status of land degradation,
- Ensuring that environmental impact assessments for all major proposed interventions are conducted,
- Putting in place monitoring and reporting mechanisms, particularly through monthly, quarterly and annual reporting on desertification,

- Putting in place mechanisms for annual, mid-term and end of phase reviews, and
- Promoting the participation of all stakeholders in land degradation assessments, monitoring and reporting.

#### **D. *WILDLIFE***

Zambia has abundant wildlife, many inhabiting the ecosystems of 19 National Parks, 34 Game Management Areas (GMA) and Bird Sanctuaries. The National Parks, Game Management Areas and Bird Sanctuaries carry most of the wildlife resources and basically fall in the ecological zones, namely wetlands, woodlands and open savanna grasslands. The National Parks contribute substantially to the conservation of the ecosystems and biodiversity.

Zambia's tourism industry is primarily based on scenic beauty and wildlife. The scenic beauty and elephants, along with other big game, make up the main attractions. However, the industry is not yet developed to sustainable levels. Rehabilitation of road infrastructure and recapitalization of the Zambia Wildlife Authority is recommended for Zambia to compete in the tourism sector. The Government has recognized tourism as one of country's economic backbone.

General objectives in wildlife management include informing of policy decisions by land use managers and regulators on the sustainable use of wildlife resources for developing the livelihoods of local people around and in protected areas as well as the rural-urban interface in African savannas. The specific scientific and technological objectives for wildlife management include determination of the key ecological factors that control flagship systems, wildlife population dynamics and potential utilization, ecological sustainability of current practices and revenue flows among and across the rural-urban interface.

In today's diverse management regimes, it is essential to identify options for community participation in the management of the wildlife resource, sustainable use and resolution of human-wildlife conflicts. Therefore, the integration of ecological and socio-economic functions of protected areas for land use and resource managers and regulators, based on monitoring and proper management practices, is essential.

In a bid to meet the challenges facing wildlife biodiversity, Zambia Wildlife Authority has developed a five-year Strategic Plan (2003 – 2007) to which it is committed to implement. The plan attempts to address the challenges through a number of means, which would include a combination of adaptive management using the best industrial practices with appropriate deployment of staff for effectiveness and efficiency, decentralized budgetary and cost-control systems, strengthening of business management experiences and systems, building partnerships and developing a culture of customer-oriented service delivery. Stemming from the Government initiatives in the Poverty Reduction Strategy Paper (MFNP, 2002), wildlife management would have to be done along side the poverty reduction strategies that will factor in sustainability of resource protection and utilization.

#### **Threats/Constraints to Wildlife Management and Diversity**

The efforts by ZAWA to manage wildlife have been constrained by a number of factors that include:

- Resource Allocation
- Illegal hunting and over-exploitation
- Land-use pressure
- Inadequate monitoring information



- Inadequate planning

The major threats to the animal populations in Zambia are:

- the increasing constriction of the range by settlements and agriculture,
- heavy poaching scourge since the early 1970s to date,
- over-fishing,
- uncontrolled bush fires,
- inappropriate agricultural practices and
- invasive alien species.

As the human population is increasing countrywide at 3%, more range is reclaimed and most of the wildlife traditional movement routes are taken over by human settlements. This has also resulted in rising human/elephant conflicts. Anecdotal data on damage to various agricultural crops caused by feeding and trampling as well as loss of human life are indicative of the magnitude of the problems that cannot be ignored particularly in areas with high elephant densities.

### **Recommendations to conserve wildlife populations and bio-diversity**

- Empowerment of the local communities to manage the game resources. Currently, the majority of local communities do not feel adequately involved in the management of their wildlife. This attitude needs to be reversed.
- Promotion of income generating schemes for the communities and the Private Sector, for example, ranching, culling schemes, safari hunting and tourism through provision of incentives.
- Preparation and implementation of management plans (Sustainable land use).
- Capacity building of local communities on various aspects of wildlife management.
- Review and strengthen the village scouts programme under ADMADE.
- Introduce informer networks, involving local communities, headmen and chiefs.
- These should be complimented by systems of bonuses or incentives to support law-enforcement,
- Promote other income generating activities

### **E. *BIO-DIVERSITY***

Zambia takes centre stage in endemism in the Zambezian Region with relief between 1,000 and 1,500m. Zambia is not mountainous but has extensive miombo woodland plateau interrupted by dambos, swamps, rivers and large wetlands (Bingham, 1998). The wildlife-protected areas in Zambia were not established for biodiversity conservation as the primary reason. This explains why there is no relationship with areas of high biodiversity. Since the principle of biodiversity conservation might be high priority there would be need to re-examine the existing wildlife protected areas and areas outside for inclusion, requiring inventorization for classification. The level of an ecosystem on the other hand comprises the abiotic and biotic components with inter-linkages that provide for flow of materials and energy in the system. An effective ecosystem management of biodiversity requires classification and mapping of the habitats for a wildlife protected area system plan. Vegetation maps have been used in developing system plans. Zambia's vegetation map and reviews of vegetation maps, LANDSAT maps and aerial photographs would be used to classify ecological vegetation zones while groups of animals and

microbes may also be used in identifying areas of high biodiversity (Bingham, 1998), but these have not been sufficiently documented in Zambia.

ZAWA (2002) provides four regional options to bio-diversity conservation. The first three approaches are landscape/ecosystem-based; eco-regional approach, hotspot approach and transfrontier initiative approach. In addition, the Red-Data-List approach that is species based offers another possibility. These four alternative approaches, in addition to two other approaches (agricultural diversity and species diversity), are outlined in the larger ETOA document.

### *Biodiversity Management Efforts Being Undertaken In Zambia*

Current management of the country's biodiversity is incorporated in a network of protected areas consisting 19 National Parks, 35 Game Management Areas, 2 bird sanctuaries, 28 forest reserves, botanical reserves, National Heritage sites and protected fishing areas. In addition to the in-situ protection in the above-mentioned areas, ex-situ conservation is practiced to allow for more cost effective preservation of biodiversity through:

- Botanical gardens such as Munda Wanga in Chilanga
- Herbaria by Department of Forests in Kitwe, the Department of agriculture at Mt. Makulu, and by the University of Zambia in Lusaka.
- A national gene bank by the Department of Agriculture at Mt. Makulu.
- Fish breeding stations at Chilanga and Mwekera
- A wildlife orphanage at Chimfunshi near Chingola
- Veterinary research facilities at Magoye and Balmoral
- Game ranches in different parts of the country

Management of these areas is predominantly a responsibility of the state. There is an increase in private sector and NGO involvement in biodiversity conservation in recent times.

The GRZ has prepared a national biodiversity strategy and action plan, which is a five-year plan whose objectives are:

- To ensure the conservation of the full range of Zambia's natural ecosystems through a network of protected areas
- To conserve the genetic diversity of Zambia's crops and livestock
- To improve the legal and institutional framework and human resources to implement the strategies for conservation, sustainable use and equitable sharing of benefits from biodiversity management
- Sustainably manage and use Zambia's biological resources
- Develop an appropriate legal frame work and the human resources to minimize the risks of the use of Genetically Modified Organisms (GMOs)

Zambia is a signatory to the Convention on Biological Diversity. See Appendix 6 in the ETOA for other conventions to which Zambia is a signatory.

### **Threats to biodiversity in Zambia**

Biodiversity in Zambia is increasingly threatened by both human and natural factors. The major human threats are:

**Land use conflicts** threatening biodiversity through activities such as shifting cultivation, which is widely practiced in the Northern Province, uncontrolled early burning practiced, especially in the pastoral areas and the use of insecticides and herbicides in commercial farming areas.

**Human settlements** are threatening biodiversity in Zambia. As the population increases there is a demand to clear more areas for people to settle and the demand for livelihood, especially for rural populations, for plants and animals as a source of food increases.

**Pollution** as a result of increased industrialization, especially along the line of rail, there is an increase in effluent discharges that have polluted the rivers. The Kafue River is the most polluted, receiving effluent discharges from various activities including mining, manufacturing, agricultural and sewage treatment plants threatening the flora and fauna in the river system. In addition, pollution of water systems has reduced invertebrate diversity. There is also an increase in aerial discharges of Sulphur dioxide resulting in acid rain. The local authorities lack capacity to manage domestic, industrial and hazardous waste.

**Over exploitation** of resources such as over-fishing in the major fisheries and timber harvesting in the Western province.

**Deforestation** in general due to increase in demand for wood fuel. This takes cognizance of the fact that only 18% of the total Zambian population has access to electric energy.

The natural factors include **climate change** as a result of global warming which makes conditions unfavorable for some species and encourage the invasion of alien or invasive species displacing indigenous ones. Among such weeds are lantana camara, Kariba weed (salvinia molesta) and water hyacinth (eichlornia crassipes).

**Conversion of forestlands to agriculture** has also contributed to the depletion of some species and without an appreciable gene pool extinction is threatening.

The **human encroachment** to protected forest areas and the subsequent damage to forests results in habitat destruction. The poor state of museums, herbaria and gene banks as repositories of biodiversity resources also poses a threat to plant and animal collections.

### **Recommendations for improved Biodiversity conservation**

- Enhance a national policy on management of the country's biological diversity
- Improve capacity of biological resources data collection and management of the data
- Establish a focal point institution on biodiversity to regularly monitor vulnerable, rare and endangered species of micro-organisms, flora and fauna
- Documentation of plant and animal species listed under CITES should be done, and they should be protected under the national law
- Review the list of species being affected as a result of deforestation and land degradation
- Revise legislation on endangered species accordingly to provide for their protection

### **Recommendations to enhance food security and reduce pressures on natural resources and bio-diversity**

- Promotion of soil fertility and conservation measures. Such measures should emphasize biological and physical ones rather than chemical ones.
- Enhancement of crop diversification.
- Effecting a seed multiplication program in the target areas.
- Strengthening of the existing agricultural extension services and mobilization of local farmers into cohesive farmers groups.
- Improving overall farm management. The introduction of alternative sources of draught power such as donkeys need to be stimulated and propagated. Donkeys are better than oxen because of their resistance to trypanosomiasis, especially in the valley areas.
- Enhancing agricultural production through promotion of small-scale irrigation schemes
- Boost overall agricultural development through development and promotion of drought tolerant crop varieties for both local consumption and marketing,
- Promote improved Livestock Production

#### **Recommendations to make the legal and policy framework more responsive to environmental conservation and bio-diversity**

- Formulate a coherent and consolidated policy on environmental matters,
- Formulate a policy on measures to combat desertification and mitigate the effects of drought,
- Formulate subsidiary legislation to allow/permit all sectors to operate as one inter-sectoral organ, at the district level. These structures should be replicated at lower levels, for example, chiefdom and village levels,
- Revise principal Acts to facilitate raising levels of penalties through subsidiary legislation for offences regarding resource-use. The present penalties are too low to deter illegal exploitation of the resource-use,
- Revise principal Acts to enable communities manage their natural resources through community committees. The Acts should allow communities to police their by laws by using community scouts. The community committees should work in collaboration with the District Councils Natural Resources Committees.
- Review the land tenure system to rationalize and encourage proprietorship/ownership and user-rights to promote sustainable utilization of resources, and
- Revise principal Acts to enable local communities to benefit from the management of their natural resources.

### **V. POTENTIAL LINKAGES BETWEEN ENVIRONMENT AND THE CSP**

#### **SO5: Increased Private Sector Competitiveness in Agriculture and Natural Resources**

<b>ECONOMIC GROWTH</b>	
Old/Current SO	New/Proposed SO
<b>SO1 – Increased Income for Selected Rural Groups</b>	<b>SO5 – Increased Private Sector Competitiveness in Agriculture and Natural Resources</b>
<i>IR1.1 Increased sustainable agriculture and natural resources production.</i>	▪ <i>IR5.1: Increased Access to Markets</i>
<i>IR1.2 Increased contribution of rural non-farm enterprises to private sector growth.</i>	<i>IR5.2: Enhanced Value-Added Production and Service Technologies</i>
<i>IR1.3 Improved trade and investment.</i>	<i>IR5.3 Increased Access to Financial and Business Development Services</i>

<ul style="list-style-type: none"> <li>▪ The new SO builds upon the successes of the previous SO in terms of continued focus on smallholders' access to markets; community based natural resource management; support to rational policy formulation and trade promotion. However, there is greater emphasis in the new strategy on the establishment of stand-alone enterprises within the production-marketing value chain; increased attention to value-addition; increased business sophistication of smallholder farmer groups; innovative financial services and business development services.</li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>IR5.4: Improved Enabling Environment for Growth</i></li> </ul>
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Zambia's economic growth SO focuses on increased productivity, market access, value-adding technologies, access to financial and business development services (BDS) and an improved policy environment. As embodied in the SO title, the focus is on competitiveness in agricultural and natural resource value chains. To achieve sustainable growth in agricultural production and marketing, the lasting productive capacities of the natural resource base must be maintained. Sustainable harvests of natural products and increasing revenues from tourism dictate responsible husbandry of the ecosystems, which support the revenue sources.

Increased agricultural productivity, reduced costs and lower marketing margins will be realized through increased operational efficiencies and improved technologies. The ability to reap greater benefits per unit of surface area will lessen the pressure to expand agricultural lands into wooded areas. The application of conservation farming (minimum tillage) and the use of small-scale irrigation systems will significantly increase productivity while contributing to decreased soil erosion, improved moisture retention and better aerated soils. The USAID-sponsored ZATAC project (market linkages) and any follow-on efforts, will continue to promote the application of labor-saving and productivity-enhancing treadle-pump irrigation. Conservation farming techniques will be expanded by all present and future implementing partners that are/will be focusing on the production side of the value chain.

From 1989 through 1999, USAID helped the Ministry of Tourism to establish the Administrative Management Design for Game Management Areas (ADMADE), which aimed to administer wildlife management through the participation and leadership of residents living in game management areas. Zambia's protected wildlife areas fall within national parks, managed for tourism and biodiversity conservation, and game management areas, managed for high quality licensed hunting. The program sought to ensure that a portion of revenue earned from wildlife was shared with the communities living in close proximity to the game management areas. This was based on the premise that for a community to manage its resource base sustainably it must receive direct benefits from its efforts. The project helped develop community institutions including democratically elected Village Area Groups and Community Resource Boards which played an active role in managing local resources. The ADMADE efforts resulted in the formulation of the Zambia Wildlife Act, which spelled out the roles of communities in managing and benefiting from wildlife resources.

As is the case with other laws enacted to protect environmental assets and empower communities to practice responsible husbandry of the resources, the Zambia Wildlife Act (ZWA) has not been broadly translated into practical implementation of the statutes at the community level.

USAID Zambia has put the ZWA into practical action and broadened the ADMADE foundation by supporting the Community-Based Natural Resource Management (CBNRM) efforts of multiple implementing partners. The Community-Based Natural Resource Management and Sustainable Agriculture (CONASA/CARE) Program in Southern Zambia, around the Kafue National Park, focuses on alternative livelihoods. The main goals of the program include; a) to

improve the welfare of people living in the project area, and b) to ensure the sustainability of natural resources for future generations. The program focuses on agriculture and natural resources management as a strategy to improve rural livelihoods and conserve natural resources. In order to achieve its objectives, CONASA implementation focuses on three areas - a) household livelihood security, b) policy and civil society education on Community Based Natural Resources Management (CBNRM) and, c) Transboundary Natural Resources Management (TBNRM). The major implementation channel is through community participation. Communities form broad-based structures for effective participation in the management of natural resources and easy delivery of services.

CLUSA is also working with CBNRM in two Eastern Province districts – Petauke and Chipata. They employ ecosystem management with a sustainable-yield approach to the market-defined production of agricultural products and the harvesting of timber, wildlife, mushrooms, firewood, caterpillars, medicine and honey. Activities under the community generated Forest Management Plan are carried out in a manner that maintains the integrity of the forest ecosystem.

World Vision's Zambia Integrated Agroforestry Project (ZIAP) promotes food security, increased productivity and low-cost and sustainable agricultural production techniques. Soil fertility, soil moisture retention and improved crop varieties. The efforts also support market information and extension services to assure sustainable linkages to technologies and markets.

Under SO5, the Zambia Mission will build upon past successes from SO1, and continue to support community-managed, sustainable harvest/marketing of natural and agricultural products through multi-tiered activities with CBNRM groups; and by so doing, demonstrate how communities can manage to benefit from conserving Zambia's rich environmental asset base. They will be assisted in sustainable harvest practices, market identification, product development, value addition, costing/pricing, product/service presentation, group management and resource management. As with agricultural producers, but with even more direct effect, the natural resource base is the endowment from which perpetual dividends will be realized. The capacity to realize sustainable yields from that endowment offers a direct cause-and-effect motivation for resource conservation. Communities will be assisted to craft resource management plans in the same fashion that farmers' groups will be supported through business planning and the efficient use of agricultural resources.

To enhance food security, broaden dietary diversity and mitigate risks inherent in farm enterprises, SO5 will promote crop diversification within its client population. Enhanced food security, through greater productivity, higher incomes and risk mitigation (agriculture and natural products), will lessen the pressures on natural resources and promote more responsible stewardship of the resource base.

#### *Environmental Review*

##### PERSUAP:

CLUSA Rural Group Businesses (CLUSA RGB) and CLUSA Natural Resource Management (CLUSA NRM) projects have produced an approved Pesticide Evaluation and Safer Use Plan (PERSUAP) for all agrochemicals applied within their interventions. The report delineates each chemical, the purpose of its application (target crop and pest), handling, disposal and the restrictions, if any, for each chemical's application. This PERSUAP, and the report on treated mosquito nets, were the first two such documents generated in USAID/AFR countries.

#### Coffee washing stations:

Washing coffee is a critical feature for maintaining quality to the final drying and roasting phases. Prices for commodity coffee are the lowest in years, and washing is necessary to achieve quality requirements in the Specialty Coffee market, which last year paid up to 3 times the price of commodity coffee.

The environmental aspects of coffee washing involve high water requirements for the mechanics of washing and fermentation, generation of substantial quantities of pulp waste, and discharge of washing and fermentation water, which are all accentuated when production is concentrated at washing stations.

Operating stations should be doing everything possible to screen pulp from entering receiving waters and enhance oxygenation of receiving waters. Perking fields for fermentation water should be established on permeable and well-drained soils outside of floodplains if possible. The use of “reconstructed” wetlands for rapid uptake of nutrients and carbohydrates is an option that could be investigated by USAID.

#### Charcoal production:

Heavy reliance on charcoal as a cooking fuel continues to threaten forest resources. USAID will continue to work with the Rural Electrification Working Group to encourage the expansion of the power grid into rural areas. As electricity (primarily hydro-generated) reaches more rural clients the demand for charcoal will diminish.

#### Invasive alien species:

The introduction of new animal and plant species like Bt Cotton has aroused much debate within the scientific world. The introduction of Bio-tech organisms is still viewed by many in Zambia as an environmental threat. As the African Growth and Opportunities Act (AGOA) contributes to the profitability of the cotton sub-sector, Bt cotton is viewed as a logical next step for Zambia. USAID could assist Zambia in the Environmental Review of Bt cotton.

#### Natural Products:

Environmental concerns could arise from unsustainable harvesting of forest products like honey, mushroom, medicinal plants and essential oils.

#### Agricultural intensification:

The major environmental concerns will arise from intensive agriculture production and processing activities, such as the use of agro-chemicals and pesticides, and processing byproducts, which could cause environmental degradation. Environmental Reviews, IEEs and/or PERSUAPS will be conducted for any proposed interventions for which there are environmental concerns.

#### *Opportunities and Entry Points*

#### Conservation Farming and agroforestry:

Conservation farming is a minimum-tillage, cultivation technology that is intended to maximize yields while conserving the land's productive potential. The promotion of conservation farming entails: early land preparation to take advantage of the first rains, crop diversification to increase soil fertility, retention of crop residues (moisture retention and fertility) and precision tilling. Agroforestry interventions promote contour farming, the incorporation of tree in the farming system and various other erosion control and soil fertility measures.

ICRAF's Agroforestry Project for Sustainable Development in the Zambezi Basin:

World Vision is collaborating with ICRAF (Eastern Province) in the five-country program designed to improve living standards through the expansion for agroforestry technologies that increase agricultural production and conserve the environmental assets.

Regional competitiveness:

Trade is an important arena in which to advance environmentally sound practices, and develop principles that accommodate both trade and environmental concerns. Environmental degradation and sustainability are increasingly serious and interconnected issues. Globally, they are recognized as matters affecting competitiveness. Zambia's emphasis on expanded trade offers and opportunity to include environmental issues as one of the key elements contributing to competitiveness and productivity.

Agro-processing:

Byproducts of many value-adding processes can be used as valuable soil amendments if properly treated before application to the soils.

Poaching/ Unmanaged fires/Incompatible human settlement:

The concept of CBNRM puts the participation of communities in NRM as central. Community participation will help ensure sustainable natural resource use and management.

Invasive alien species:

Communities will be made aware of modern innovative production techniques like biotechnology. The benefits of increased income realized by use of improved biotechnology products will take pressure off the unsustainable use of natural resources.

Habitat destruction/Deforestation/Over-exploitation:

The diversity of flora and fauna reduces with mismanagement of the living conditions in the environment. CBNRM puts emphasis on community management, resource conservation and profit sharing realized from the NRM, including tourism proceeds.

**SO6: Improved Quality of Basic Education for More School-aged Children - Phase II**

EDUCATION	
Old/Current SO	New/Proposed SO
<b>SO2 – Improved quality of basic education for more school-age children</b>	<b>SO6 – Improved Quality of Basic Education for More School-aged Children Phase II</b>
<i>IR2.1 Improved participation of girls and other vulnerable children.</i>	<i>IR6.1 Improved Quality of basic Education Delivery Systems.</i>
<i>IR2.2 Improved school-based health and nutrition interventions to support pupil learning.</i>	<i>IR6.2 Improved Information for Efficient Resource Management.</i>
<i>IR2.3 Improved information for education decision-making processes.</i>	<i>IR6.3 Strengthened Policy Implementation through Improved Education Services.</i>
	<i>IR6.4 Mitigate the Impact of HIV/AIDS on the Education System.</i>

This SO contributes to the Agency's Economic Growth, Agriculture and Trade (EGAT) pillar. Among today's school-age population are tomorrow's leaders, workers, voters, and parents. This SO's contribution to basic education combined with the GRZ support and that of other cooperating partners for basic literacy, numeracy and social and life skills among children,



provides the education foundation upon which subsequent vocational and technical skills for employment, skilled and unskilled workforce, and knowledge-based economic growth and prosperity can be built for prosperity, hope and better health for Zambians.

#### *Environmental Review*

The SO may have a water and sanitation component with their school health and nutrition program. If this occurs, environmental reviews and IEE's will be conducted. This will mean ensuring that waste management at schools is well handled and improve environment stewardship by its future custodians.

#### *Opportunities and Entry Points*

The more pupils that pass through the school system, the more literate the population becomes, being better able to appreciate the importance of looking after the natural resources and environment.

### **SO7: Improved Health of Zambians**

<b>HEALTH</b>	
Old/Current SO	New/Proposed SO
<b>SO3- Increased use of Integrated Child and Reproductive Health and HIV/AIDS Interventions</b>	<b>SO7- Improved Health of Zambians</b>
<i>IR3.1 Increased demand for PHN interventions among target groups.</i>	<i>IR7.1 Individuals, Families and Communities Taking Action for Health.</i>
<i>IR3.2 Increased delivery of PHN interventions at the community level.</i>	<i>IR7.2 Achievement and Maintenance of High Coverage for Key Public Health Interventions.</i>
<i>IR3.3 Increased delivery of PHN interventions by the private sector.</i>	<i>IR7.3 Health Services Strengthened.</i>
<i>IR3.4 Improved policies, planning and support systems for the delivery of PHN interventions.</i>	
<i>IR3.5 Improved policies, planning and support systems for the PHN interventions.</i>	
The new SO has separated the HIV/AIDS interventions from general health services. SO6 is focused on health services delivery management and delivery mechanisms. Under the new strategy, HIV/AIDS issues will be addressed within SO9.	

This SO contributes to the Agency's Global Health Pillar. The Mission proposes to expand successful approaches implemented under the 1998-2003 CSP and introduces new elements where appropriate; to address the most important factors compromising the health of Zambians. The SO will provide its support through the public healthcare system, the private sector, NGOs, and community-based organizations.

#### *Environmental Review*

A "Pesticide Evaluation Report and Safer Use Action Plan (PERSUAP)" for insecticide treated mosquito nets has found that the nets are safe for household use if users are trained in the proper care and maintenance of the nets.

### *Opportunities and Entry Points*

Currently Zambia does not have a Policy on bio-medical waste management. This poses a danger to the environment. Although the Mission may not directly generate the waste, the Mission should look for opportunities to assist the Zambian government in addressing this issue.

An important link exists between the health of Zambia's environment and the human health objectives proposed in the CSP. If it chooses to do so, USAID/Zambia could take advantage of opportunities for linking improvements in health for people with the conservation of forests, wildlife, and other natural resources. This could be done through the following:

- a) Because the nutritional needs of many rural poor people, especially around National Parks and their surrounding areas, are met in part through forest harvests such as fruits and mushrooms, and wild game meat, conserving natural resources will help maintain food security and dietary diversity, thereby contributing to improved nutritional status of these populations.
- b) Traditional medicine and traditional healers play an important role in the spectrum of health services used by Zambians. While not all traditional medicines are effective or even safe, there are many substances that continue to be useful complements to the formal health system. Conservation of forests, woodlands and other natural habitats would protect these traditional plants and substances.

#### **1. Strengthen family planning programs in environmentally sensitive areas**

Effective family planning programs reduce the negative effects of rapid population growth on resource use and poor resource management. Strong synergies are possible between this SO and natural resources conservation.

Recent Demographic and Health Survey data shows that while overall contraceptive use in Zambia increased significantly since 1996, increases in rural areas were much lower than urban. SO7 should continue its support to the national family planning program, and particularly help to ensure that rural men and women have information and access to contraceptive services.

#### **2. Support Ministry of Health activities to address issues of medical waste disposal**

- Assist in developing a national strategy for medical waste disposal, and update legislation as required in collaboration with other partners.
- Provide continued support to implementing the Hospital Policy, which includes discussion of standard procedures and equipment for medical waste disposal.
- Provide continued support to implementation of the recently development national Infection Prevention Guidelines, which codify procedures for all levels of the health system for handling medical waste up to the point of incineration or appropriate burial. Assist in

incorporating these guidelines into health worker training and supervision and as part of quality assurance programs.

#### **SO8: Government Held More Accountable**

<b>DEMOCRACY AND GOVERNANCE</b>	
<b>SO4- Expanded opportunity for effective participation in democratic governance</b>	<b>SO8-Government Held More Accountable</b>
Old/Current SO	New/Proposed SO
<i>IR4.1 Increased efficiency of the Administration of Justice.</i>	<i>IR8.1 Laws, Policy and Regulations Enable Reform.</i>
<i>IR4.2 Increased public debate.</i>	<i>IR8.2 Citizens and Civil Society Organizations Demand Integrity.</i>
<i>IR4.3 More effective and inclusive local government institutions.</i>	<i>IR8.3 Oversight Institutions More Effective.</i>
Where the old SO focused on public debate and administration of justice the new SO places greater emphasis on public/civil society as watchdogs so that government and the general leadership are accountable for all actions (corruption reduction).	

This SO will contribute to the Agency's Democracy, Conflict Prevention, and Humanitarian Assistance Pillar. Accomplishments in sustainable human development are seriously jeopardized when there is a collapse in governance systems. Zambia is, judging from present context, unique in Africa, where civil society and the President share the same agenda to fight corruption and hold former leaders accountable for theft of public resources, and where the President has called a special session of Parliament to table evidence of corruption and to identify, among others, his predecessor. Corruption is the appropriate target. Zambia is one of the most corrupt countries in the world according to the TI index, sixth worst in Africa. While no data currently exists to measure costs to the economy (findings of the corruption survey with World Bank technical assistance are due in early 2003) public sector corruption is probably highly significant in damaging the economy, contributing to the failed 1991 reforms promised by the then MMD government.

#### *Environmental Review*

No Environmental issues are evident, however, if issues arise, environmental reviews and IEE's will be conducted.

#### *Opportunities and Entry Points*

Legislation that stifles civil society participation in affairs including NR and environment management hinders national development initiatives. Sustainable environment and NR management requires good governance. Good laws and regulations can bring significant changes in the relationship between the government and its citizens regarding NRM, especially the decentralization of management responsibilities to more local levels including benefits derived from NRM and tourism activities. In collaboration with other SO Teams, this SO will bring about responsive legislation and legal framework.

## **SO9: Reduced Impact of HIV/AIDS through Multi-sectoral Response**

	<b>HIV/AIDS</b>
	<b>SO9- Reduced Impact of HIV/AIDS Through Multi-Sectoral Response</b>
	<i>IR9.1 Increased Prevention of HIV/AIDS Transmission.</i>
	<i>IR9.2 Improved Care and Support for People Living With HIV/AIDS.</i>
	<i>IR9.3 Increased Support to Selected Vulnerable Groups.</i>
	<i>IR9.4 Improved Policy and Regulatory Environment.</i>
<ul style="list-style-type: none"><li>• This SO is new within the mission strategy. It was added in order to address the ever-growing HIV/AIDS pandemic in the country. In the previous Mission strategy the HIV/AIDS issue was combined with general health, with each SO addressing the issues in the course of implementing their respective activities.</li></ul>	

This SO will contribute to the Agency's Economic Growth, Agriculture and Trade, Global Health and the Democracy, Conflict Prevention, and Humanitarian Assistance Pillars. The Mission proposes to address the HIV/AIDS pandemic, which is affecting, and will continue to affect not only the health, but also: 1) the economic well-being of Zambians; 2) social structures at the community and family levels; 3) the private sector and 4) the ability of the public sector to deliver services in all sectors. This strategic objective recognizes the need for a multi-sectoral response to reduce the impact of the epidemic. It will also integrate activities to address short-term food insecurity of affected vulnerable groups.

### *Environmental Review*

Some of the same medical waste issues apply as with SO7 – Improved Health Status of Zambians

### *Opportunities and Entry Points*

Sound environment management can only happen when you have a healthy and economically empowered citizenry. The resources that may otherwise be used on good investment including long term will be utilized to pay for medical requisites. This will leave little attention to environment management and investment. The loss of labor force due to HIV/AIDS reduces time and resources spent on good management practices in agriculture and natural resources which ensure medium and long-term sustainability.



**ANNEX H: ZAMBIA COUNTRY RISK ASSESSMENT: MAJOR FINDINGS  
FROM ANALYTICAL STUDIES**



## **COUNTRY RISK ASSESSMENT: MAJOR FINDINGS FROM ANALYTICAL STUDIES**

### **1. Introduction**

#### **1.1 Background**

In December 2002, the Mission requested the Regional Conflict Advisor based at REDSO, to undertake a preliminary assessment and develop a scope of work for the Conflict Vulnerability Analysis (CVA) required for the FY2004-2010 Country Strategic Plan (CSP). The Regional Conflict Advisor held discussions with the Mission Director, Deputy Chief of Mission, Strategy Planning Team, Embassy and USAID staff to identify factors within the political, economic and social arenas in Zambia and her regional neighbors that could develop into significant and sustained conflict or other vulnerabilities to stability.

As part of the CVA scope of work development process, the Regional Conflict Advisor asked USAID and Embassy staff to suggest points of political, economic and social tension that could be the source of serious internal or regional conflict during the CSP period and which therefore should be the focus of analysis in the CVA. He explained that the potential for a point of tension to deteriorate into significant and sustained violence was the criterion that REDSO used for deciding whether to include it as a focal point in a CVA scope of work. Following discussion revealed a uniform view between USAID and Embassy staff that while there were many tensions in the country, none had any potential to evolve into significant sustained violence. Consensus was then reached that undertaking a CVA would not be justified in the case of Zambia and that U.S. Government resources would better be used elsewhere. Consequently, the Mission requested a waiver of a formal CVA within the provisions of the ADS. USAID/W granted the waiver on grounds that a CVA would not add any significant new information to the Mission's CSP design process. The Mission was requested to incorporate a summary of country risks in the overall assistance environment section of the CSP as well as an annex entitled "Country Risk Assessment: Major Findings from Analytical Studies".

This document is intended to summarize the possible risks, vulnerabilities and tension points in the overall assistance environment.

#### **1.2 The Conflict Vulnerability Context in Zambia**

Zambia, like any other country, presents many points of conflicting interests and vulnerabilities. From the preliminary assessment undertaken by the Regional Conflict Advisor in consultation with Embassy and USAID staff, it was unanimously concluded that none of the risks or points of conflict were likely to culminate into possible sources of significant sustained violence or conflict.

The following observations were noted during the preliminary assessment discussions:

- Zambia has a conflict free history since independence;
- Zambians are characteristically non-violent;
- The sense that personal identity is defined much more by nationality than by divisions between ethnic and religious groups;
- Serious national issues are dealt with by increasingly strong democratic processes;
- The new President seems more committed to good governance and serious anti-corruption efforts than his predecessors;
- Zambia's most significant difficulties, including high levels of poverty, poor governance, food insecurity and high rates of HIV/AIDS infection have not resulted in any inter-group antagonisms;
- The regional security environment is improving with new momentum in the DRC and Angolan peace processes.



Based on the above factors, it was concluded that Zambia is a low-risk country for violent conflict, with a relatively stable development atmosphere.

## **2. Potential risks and vulnerabilities**

### **2.1. Poor Governance**

Critical governance issues exist in Zambia at virtually all levels, and are intrinsically linked to the problems of executive dominance, political accountability and corruption. This presents a significant risk to the overall development environment but does not pose a risk that might result in conflict.

The prevailing absence of political accountability has deep historical roots in Zambian political history and is embedded both in the structure of institutions and in the informal norms that govern the behavior of political actors and citizens. The challenge in liberalizing politics in Zambia hinges on how to break the forces that hinder the reduction and redistribution of executive powers. In the present political context, the prospects for such reform appear closely linked to reducing the prevalence of official corruption, which drains scarce development resources and seriously undermines the legitimacy of the state.

The performance of the Zambian bureaucracy remains unsatisfactory, despite the ongoing Public Service Reform Program that envisages a leaner, better-motivated and remunerated civil service after 'right sizing'. Though the program has been augmented by donor-funded interventions such as the Public Service Capacity Building Project, political will to introduce the merit principle in recruitment and placement has been lacking.

Another risk factor is poor working conditions, which have spawned an unhealthy culture of corrupt practices in a bid to supplement the low wages.

The Zambian Government has in the past initiated institutional reforms, which have not really been effective. Pressure from civil society and donors led the Government into developing a draft paper on governance in 1999.

In both the Contextual Study and the DG Assessment, poor governance emerged as one of the three major challenges facing Zambia. In the FY2004-FY2010 Country Strategy, USAID/Zambia will be working with the Government, civil society, NGOs and other cooperating partners to address many of the governance issues. Interventions will be designed that will include enhancement of the rule of law as well as strengthening the capacity and effectiveness of governance oversight institutions.

Despite the poor governance record, Zambia remains a model of political stability in the region. Issues of poor governance do not pose any major threat of provoking significant sustained violence.

### **2.2 Corruption**

Corruption is widely perceived to be a major problem in Zambia, and to have increased dramatically over the past decade. Transparency International (TI) rates Zambia as the 15th<sup>13</sup> most corrupt country in the world. This ranking confirms that Zambia is regarded as a place where corruption in public and business life is widespread. There is an urgent need to develop strategies that de-link private resource accumulation through corruption from access to public

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<sup>13</sup> Transparency International – Global Corruption Report 2002

office through politics. Instances of corruption have been widely reported in the public sector, but very limited prosecution is undertaken by the law enforcement agencies.

Corruption tends to increase the disparity of income and wealth distribution, a situation, which angers those who are marginalized and disenfranchised by the economic and political systems. Unless addressed the issue of corruption presents major economic and “confidence-in-governance” threats, which could drain scarce development resources.

The “New Deal” administration, under President Mwanawasa, has forcefully stated its commitment to curbing corruption, and articulating a policy of “zero tolerance to corruption”, but this alone is insufficient to curb systemic corruption in a backdrop of extreme poverty, institutional incapacity, and deeply entrenched systems of patronage-based politics. Institutional and systemic change is needed to enhance governmental transparency and accountability, and make possible effective application of the rule of law. In the absence of structural reforms, continued forward movement on anti-corruption and in many other areas remains uncertain.

Zambia is making relatively good progress towards improving her corruption record through President Mwanawasa’s commitment to curbing corruption. Within this context and the fact that Zambians are historically resilient to corrupt practices, this issue does not present a significant risk likely to deteriorate into significant violence.

USAID/Zambia through Strategic Objective 8 (Government Held more Accountable) will be working with the Zambian Government, civil society and other cooperating partners to support reforms aimed at restoring accountability. This will also include direct support to anti-corruption institutions.

### **2.3 Constitutional Reforms**

The issue of constitutional reform to the separation of powers among the judicial, legislative and executive branches of government assumes critical importance. It is also necessary to address the preponderant powers of the executive branch, the electoral system, and legal protections for basic human, civil and political rights, including freedom of press, association and expression. With power centralized in the presidency, the constitution does not provide an enabling framework within which democratic decentralization and local government reforms can be implemented to address the inadequacies of local government responsiveness, capacity, finance and service delivery. Another burning issue generating debate is independence of the Electoral Commission of Zambia (ECZ).

A successful constitutional review exercise to create a more equitable distribution of power in government would enhance good governance, safeguard fundamental freedoms, and protect against violent conflicts that can be triggered by bad or undemocratic governance.

President Mwanawasa has currently engaged a process that will review the Zambian constitution to address issues of poor governance, separation of powers, electoral and media laws. This presents an opportunity for addressing the overarching issues relating to poor governance and corruption.

### **2.4 Human Rights**

Although not among the more serious cases in Africa, Zambia’s human rights record remains poor and as such damages its image as an emerging democracy. Many studies have shown how the legal framework in Zambia effectively curtails many of the human rights. The police force and security services are politicized, often giving loyalty to the ruling government.

The government’s grip on the media continues to be tightened in what is undoubtedly an effort to curtail political debate during elections. The public media serves as a campaign tool for the ruling

Movement for Multiparty Democracy (MMD), while the opposition is only given limited access to state media. The principle of equality is often flagrantly ignored.

Over the past years, there has been a marked increase in child abuse, often linked to commercial exploitation through child labour and prostitution. The media often reports case of trafficking in children, particularly in border areas. There has also been an increase in cases of sexual abuse of children in their own families.

## **2.5 Petition of presidential elections**

The Mwanawasa Administration assumed office against the background of a controversial election, engendered by the prevailing electoral system. The electoral process has in the last two general elections, disenfranchised large numbers of eligible voters. The advantage of incumbency, which has translated into the misuse of public resources, has also played a major role in undermining the electoral process and sustaining an uneven political playing field for competition between opposition and ruling party.

The Electoral Act that defines the ECZ's mandate has been criticized for failing to provide the commission the authority to deal effectively with disputes arising before or during elections. It lacks prosecutorial authority, and must rely on the intervention of police or other authorities over which it has little if any control.

The Carter Center's final statement on the 2001 elections concluded that: (1) there was an uneven playing field in the pre-election period due to problems in voter registration, misuse of state resources, and unbalanced media reporting, which disadvantaged the opposition and created barriers for full participation of all stakeholders in the process; (2) the government and ECZ lacked the political will to take necessary steps to ensure that the elections were administered effectively and transparently; (3) there were inadequate logistical arrangements for the polls and a lack of procedures to ensure transparent vote counting at the polls; (4) there was a lack of transparency in the process of tabulating results at the constituency level and in relaying results to ECZ; (5) the ECZ has failed to release polling station results in a timely manner thus severely restricting the ability of stakeholders and observers to check results independently; and (6) the ECZ has failed to implement a transparent verification process open to parties and observers."

The above allegations culminated in a petition by three leading opposition leaders challenging the legality of President Levy Mwanawasa's election victory. Presently the election petition is being heard in the Zambian Supreme Court. The petition hearings started in September 2002, and involve three main opposition parties. Analysts believe there is enough evidence to threaten president's Mwanawasa presidency. Some believe this could lead to an unprecedented presidential election re-run. If this happened, it could lead to a new regime, which in turn may result, in loss of momentum of USAID/Zambia's program while acclimating to a new regime.

## **2.6 Environmental Threats**

USAID/Zambia recognizes that protection of the environment and wise management of the natural resource base are absolute requirements of any successful development program. The degradation of natural resources contributes to higher levels of poverty, while high incidences of poverty present a potential source of conflict.

As required by ADS, the Mission undertook an Environmental Threats and Opportunities Assessment (ETOA) that reviewed the status of wetlands/water, soil, wildlife, forest and biodiversity in the country. Environmental threats and opportunities, and recommendations for each of the resource categories were examined and discussed, with specific attention to issues directly related to the Mission's strategy. Special attention is given to how the Mission's strategy incorporates or addresses tropical forests and biodiversity concerns.

As demonstrated by the analysis summarized within the ETOA Annex, the environmental implications of activities contained in each Strategic Objective (SO) have been factored into the design process at every level. The Environmental implications of the Strategic Objectives 6 through 9 may not be as directly evident as they are within the Economic-growth SO (SO5), however, without measured progress in health, education and governance, the future prospects for sustained environmental integrity would be greatly diminished.

At the institutional and regulatory levels, the Mission's Strategy will continue to contribute to the formulation, enactment and implementation of rational policies that will serve the dual purposes of poverty alleviation and environmental stewardship.

Environmental issues do not present any risks likely to result into sustained conflict or violence.

## **2.7 Food Insecurity**

Zambia is a country where poverty is endemic with proportions of the population facing shortages of food. However, Zambians are a resilient people who are dealing with food insecurity in a manner that is non-violent. In fact, Zambia by and large has had a conflict-free history since independence and its citizens have displayed a non-violent character during that time. Zambians also appear to project a national identity and do not reflect serious differences along ethnic or religious lines. There is no evidence that this national personality is changing, despite the difficulties of drought and economic deterioration that the country has been experiencing.

The majority of Zambians suffer from food insecurity. Individuals suffering from food insecurity at the household level are unlikely to be in a position to contribute to their own development. In order to tackle the serious risk of widespread food insecurity, economic growth must be generated. Recent studies have shown that sustainable poverty reduction and thus a sustainable reduction in food insecurity requires equitable growth. Given that the majority of Zambians depend on agriculture-related activities for their livelihood, revitalizing the agriculture sector is key to generating pro-poor growth. Taking full advantage of existing trade opportunities and creating more opportunities are part and parcel of agriculture's revitalization. In addition, generating pro-poor growth entails generating employment opportunities (especially in but not restricted to rural areas), which generate income at the household level and in which HIV/AIDS-affected households can participate.

Zambia has experienced two seasons of drought and deteriorating economic conditions have seriously tested the resilience of many individuals and communities. In the rural areas, the compounding effect of drought, escalation of the HIV/AIDS pandemic, and the widespread loss of cattle to disease has had serious impacts on the majority of the population. In the urban sector, escalating food prices, erratic food shortages, HIV/AIDS and unemployment have added to the increasing poverty and stress on this population. Overall, from 70-80 percent of the population is stressed and falling back on coping mechanism to deal with food deficits and poverty. These coping mechanisms include relief food, reduction of meals, food for work, borrowing, wild foods and interventions by charitable organizations.

Presently, President Mwanawasa seems actively committed to good governance and has just presented a new annual budget where food security and agriculture are top priorities. It remains to be seen if the government follows through on implementing these development priorities. Present indications are that there certainly is renewed attention being given to agriculture as the next engine of growth. This was not the focus of previous administrations. Most donors are also highlighting food security in their new programs, so the environment seems right for achieving progress in this all-important sector of the economy.

In summary, food insecurity does not present any significant factor affecting vulnerability to conflict in Zambia.

## **2.8 Natural Disasters**

Floods and droughts present the major natural disasters in Zambia. These often translate into famine resulting from shortage of food. In 2002, the Zambian government declared the country's food shortage a national disaster. Severe droughts and in some cases floods often cause total crop failures in the southern and western parts of the country.

The food shortages in the country have been caused not only by the droughts and floods but also by the lack of policy and government support to the agricultural sectors. During the last cropping season, over 75% crop failure was experienced in six districts of the country's 52 districts, and 51% to 75% failure in eleven districts.

## **2.9 HIV/AIDS**

Zambia is experiencing the health, economic and social impacts of a mature HIV/AIDS epidemic. The most recent national population-based study, the Demographic and Health Survey (DHS) for 2002, documents an HIV infection rate for persons ages 15-49 at 16%, with rates for women at 17.8% and men at 12.9%. Zambia has an estimated 900,000 to 1.2 million persons living with HIV/AIDS. During the year 2000, over 100,000 people are believed to have died from AIDS.

The epidemic has affected all aspects of social and economic development in the country. Impact on the labor force and declining productivity of the health, education, agriculture and transport sectors are significant. The negative effect of HIV/AIDS on productivity due to the reduced labour force is leading to increased poverty levels and food insecurity, which are potential sources of conflict and strife..

USAID/Zambia through SO9, "Reduced HIV/AIDS Transmission and Impact Through Multisectoral Response", will provide support to the GRZ's HIV/AIDS program as Zambia increasingly adopts a multisectoral approach to addressing HIV/AIDS. The mission will therefore address the impact of HIV/AIDS on all sectors. These interventions will mitigate the impact of the pandemic, creating an enabling environment for USAID/Zambia to implement its programs without being derailed completely by the epidemic.

## **2.10 Orphans**

One of the most telling and troubling challenges facing Zambia is the growing number of orphans. Statistical data indicates that there are 874,000<sup>14</sup> total orphans<sup>15</sup> in Zambia of which 572,000 were orphaned as a result of HIV/AIDS. Due to lack of care and support, many of these orphans have become street children.

The impact of AIDS on children is both complex and multifaceted. Children suffer psychological distress and material hardship due to HIV/AIDS. They may be pressed into service care for ill and dying parents, be required to drop out of school to help with income generation or become street kids altogether. Many are at risks of exclusion, abuse, discrimination and stigma. The large number of street children worsens the burden of unemployment and adversely affects security as a result of the associated crime. Many of the street children eventually get involved in organized crime.

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<sup>14</sup> UNAID, UNICEF, USAID - Children on the Brink 2001 report

<sup>15</sup> Total Orphans is defined as the number of children under the age of 15 whose father, mother or both parents have died

To mitigate the impact of the orphans, USAID/Zambia will join efforts with other donors and NGOs in providing care and support to Orphans and Vulnerable Children (OVCs). USAID will also provide scholarships to OVCs especially girls, to enable them continue with their education.

## 2.11 Refugees and Regional Conflicts

Zambia is hosting some 270,000 refugees, mainly from Angola and the Congo, with a few thousand from Rwanda and Burundi. The refugees fled to Zambia as a result of warfare and civil unrest in their own countries. Many of these refugees have been in Zambia for more than twenty years. Zambia has assured the refugees that they will not be forced to leave.

The large number of refugees could jeopardize national and regional security as well as increase the risk of contagious disease outbreaks such as HIV/AIDS, tuberculosis, and polio.

The United States is a major contributor to regional stability through drought and refugee aid programs in Zambia. The U.S. is collaborating with other donors (UNHCR, WFP, etc) through the Zambia Initiative, to deliver food assistance to refugees in Zambia. The Zambia Initiative is helping address both the needs of the refugees and the people of Zambia.

With the improved prospects for lasting peace in Angola and the DRC, many of these refugees are slowly being repatriated. About 60,000 Angolan refugees are expected to return home in the next two years, beginning on June 12, 2003. With these developments, the refugee strain on Zambia is expected to lessen with time.

## 3. Identified vulnerabilities and USAID/Zambia's response

Despite the fact that none of the challenges, discussed in section 2 are likely to result in sources of significant sustained conflict or vulnerabilities, the Mission has classified the following core issues/challenges as being major risk factors in the overall development climate: 1) Governance; 2) HIV/AIDS; and 3) Food security/ Natural Disasters.

The following matrix gives a summary of all the identified vulnerabilities. Their measure in terms of risk to USAID/Zambia's FY2004-2010 Country Strategy and how they have been addressed within the Strategic Objectives are also presented.

	Risk Factor	Risk measure/issues	Mitigation in CSP FY2004-2010
1	Poor governance	<ul style="list-style-type: none"> <li>Low risk</li> <li>"New Deal" administration committed with reforms to address governance issues</li> <li>Zambia has no history of conflict</li> </ul>	<ul style="list-style-type: none"> <li>Support constitutional and institutional reforms (SO8)</li> <li>Support civil society dialog with government</li> <li>Support for management of financial resources (SO6)</li> </ul>
2	Corruption	<ul style="list-style-type: none"> <li>Low risk</li> <li>"New Deal" administration committed to curbing corruption</li> <li>Zambians are resilient to corruption</li> </ul>	<ul style="list-style-type: none"> <li>Support constitutional and institutional reforms (SO8)</li> <li>Support civil society dialog with government (SO8)</li> <li>Support to anti-corruption commission (SO8)</li> </ul>
3	Constitutional reforms	<ul style="list-style-type: none"> <li>Low risk</li> <li>"New Deal" administration committed to constitutional reforms</li> </ul>	<ul style="list-style-type: none"> <li>Support constitutional and institutional reforms (SO8)</li> </ul>
4	Human Rights	<ul style="list-style-type: none"> <li>Low risk</li> </ul>	<ul style="list-style-type: none"> <li>Support civil society dialog with Government (SO8)</li> </ul>
5	Petition of presidential elections	<ul style="list-style-type: none"> <li>Low risk</li> <li>Petitions have not lead to conflict</li> </ul>	<ul style="list-style-type: none"> <li>Awaiting court ruling</li> </ul>
6	Environmental Threats	<ul style="list-style-type: none"> <li>Low risk</li> <li>ETOA revealed no major threats</li> </ul>	<ul style="list-style-type: none"> <li>All SOs have factored in Environmental concerns</li> </ul>
7	Food Insecurity	<ul style="list-style-type: none"> <li>Low risk</li> <li>Zambians are resilient to food insecurity;</li> </ul>	<ul style="list-style-type: none"> <li>Support for enhanced food production technologies (SO5)</li> </ul>

		have devised ways of dealing with food shortages without violence	<ul style="list-style-type: none"> <li>• Support crop/risk diversification for food security (SO5)</li> <li>• Promote income generation</li> </ul>
8	Natural Disasters	<ul style="list-style-type: none"> <li>• Low risk</li> <li>• Droughts and floods being dealt with without violence</li> </ul>	<ul style="list-style-type: none"> <li>• Food aid (PL480) and livelihood options for affected groups (SO9)</li> <li>• Conservation farming (SO5)</li> </ul>
9	HIV/AIDS	<ul style="list-style-type: none"> <li>• Low risk</li> <li>• Has reduced for some age groups</li> <li>• Being addressed by all sector</li> </ul>	<ul style="list-style-type: none"> <li>• All SOs</li> <li>• Multisectoral HIV/AIDS interventions</li> </ul>
10	Orphans	<ul style="list-style-type: none"> <li>• Low risk</li> <li>• Security concerns due to orphans/street children not a major concern</li> </ul>	<ul style="list-style-type: none"> <li>• Care and support for OVCs (SO9)</li> <li>• Scholarships for OVCs (SO6)</li> </ul>
11	Refugees and Regional Conflict	<ul style="list-style-type: none"> <li>• Low risk</li> <li>• Diminished strife in DRC and Angola</li> <li>• Repatriation of refugees on track</li> </ul>	<ul style="list-style-type: none"> <li>• Other donors</li> <li>• Zambia Initiative</li> <li>• U.S. Embassy</li> </ul>

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**ANNEX I: EDUCATION SECTOR PROGRAM ASSISTANCE STRATEGY**



# USAID/ZAMBIA

## Education Sector Program Assistance Strategy<sup>16</sup>

Prepared by

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March 2003

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<sup>16</sup> This report is the product of consultancy work undertaken to inform the development of USAID/Zambia's 2004-2010 Country Strategic Plan. The findings, conclusions and recommendations of the consultant do not necessarily reflect the views and position of USAID/Zambia.



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## Acronyms

ASIP	Agricultural Sector Investment Program
AWPB	Annual Work Plan and Budget (of Ministry of Education)
BESSIP	Basic Education Sub-Sector Investment Program
BOZ	Bank of Zambia
CSP	Country Strategy Plan
DANIDA	Danish Aid
DEB	District Education Board
DESO	District Education Services Office
DFID	Department for International Development (British Aid)
EC	European Commission
EMIS	Educational Management Information System
FMS	Financial Management System
FTC	Financial and Technical Committee
FTE	Full Time Equivalent
GRZ	Government of the Republic of Zambia
HIPC	Highly Indebted Poor Countries
HCOLC	Host Country Owned Local Currency
IFMIS	Integrated Financial Management Information System
IRI	Interactive Radio Instruction
JSC	Joint Steering Committee
MFNP	Ministry of Finance and National Planning
MOE	Ministry of Education
MOESP	Ministry of Education Sector Plan
MOU	Memorandum of Understanding
MTEF	Medium Term Expenditure Framework
NEPAD	New Partnership for African Development
NIF	National Implementation Framework (for Ministry of Education)
PRSP	Poverty Reduction Strategy Paper
PSRP	Public Service Reform Program
ROADSIP	Road Sector Investment Program
SPA	Sector Program Assistance
SPAA	Sector Program Assistance Agreement
SPCC	Sector Plan Coordinating Committee
SWAp	Sector-Wide Approach
ROADSIP	Road Sector Investment Program
USAID	United States Agency for International Development

## EXECUTIVE SUMMARY

The Ministry of Education has recently developed a five-year strategy for the Education Sector, formally beginning implementation of a Sector-Wide Approach (SWAp) that has been encouraged by Government for a number of years. In the basic education sub-sector, the principles of SWAp have been embraced by the Ministry since 1999. These same principles are now being applied broadly across all education programs under the new Ministry of Education Sector Plan (MOESP). This is important for USAID/Zambia in a number of ways. One, it gives the Mission a chance to support the MOESP with a combination of project and program assistance that, together, will provide effective support to the Ministry's own programs. Two, it presents an opportunity for the Mission to join a number of other donors who have already decided to provide sector assistance to Zambia, most of whom have been reducing project assistance and channeling money increasingly through the Government's existing financial structures. Three, by supporting the Ministry of Education's programs more directly, and by joining the majority of other donors in Zambia in this effort, USAID/Zambia will gain more influence on a range of decisions that it does not have at the moment. For example, the membership of two key management bodies that direct the Education Sector Plan is restricted to donors that have signed a Memorandum of Understanding (MOU), signifying their agreement, in principle, to support the sector-wide approach and also to place a significant portion of their funds into a common pool for SWAp activities. Currently, USAID is unable to sign the MOU; however, this is expected to change if USAID decides to provide program assistance under its proposed country strategy for education, in addition to continuing the project assistance already underway.

The timing seems ideal for USAID/Zambia to add program assistance to its development tool kit in Zambia. Government policy is to encourage sector assistance across ministries, and USAID is already providing sector program assistance to the Ministry of Health. The Ministry of Education has prepared a sector plan, the MOESP, that is impressive in its detail and comprehensiveness and has demonstrated the will to carry out that plan. The accompanying National Implementation Framework and its Annual Work Plan and Budget are very substantive as well. The assistance from other donors and the support and encouragement they are giving to Zambia have helped to convince many that now is the time to also help support the country by helping them to make their systems work better, rather than by helping to set up parallel delivery systems.

Finally, Zambia seems to be on track in meeting the conditionality imposed by the discipline of the Highly Indebted Poor Countries (HIPC) Initiative. If they are able to stay the course, as they seem to be doing, the assistance the U.S. and other donors provide – especially provided as sector support – will help Zambia to meet its goals and to provide quality education to more of its citizens.

There are still several actions that must be taken in order for USAID to be ready to implement an SPA program. Two of the more important and immediate steps are:

**1) A pre-award assessment of the Ministry of Education.** USAID/Zambia has prepared a detailed scope of work for a pre-award assessment of the Ministry of Education (see Annex D). The assessment would examine the Ministry's financial management capabilities, accounting systems, internal control systems and policies, and its procedures and practices. The scope of work is sufficient to provide USAID/Zambia with the information necessary to assess the Ministry's capabilities to administer SPA, and specifically to program and account for HCOLC. In the case of the Health SPA, USAID/Zambia contracted with Price



Waterhouse and Deloitte and Touche to do assessments of the Ministry of Health and the Ministry of Finance. With respect to the Education SPA, USAID/Zambia Office of Financial Management has advised that it will not be necessary to do a new assessment of the Ministry of Finance.

**2) Determining benchmarks.** USAID/Zambia has begun the process of discussing benchmarks. The initial reaction of the MOE Director of Planning and other officials were positive, although MOE wants to study the preliminary list against benchmarks included in the MOESP, and its accompanying documents: the Annual Work Plan and Budget, and the National Implementation Framework. The benchmarks were also discussed with the Director of Planning at the Ministry of Finance and National Planning, the Budget Director of the Ministry of Finance and National Planning, the BESSIP Finance Director of the Ministry of Education, and the Chief Accountant at the Ministry of Education. These were preliminary discussions, and the USAID/Mission plans to have more detailed discussions as the large universe of possible benchmarks is narrowed down to implementation level.

Managing Sector Program Assistance is labor intensive, and will require USAID/Zambia resources dedicated specifically for this purpose. The Ministry of Education, under BESSIP, has made a determined effort to involve the pooling donors in dialogue and to ensure they are kept fully apprised of Ministry plans and actions. Ireland Aid, one of the principal pool contributors to the BESSIP funding pool, has one full-time person devoted to management of their sector assistance, plus the principal Ireland Aid representative spends half of his time on education sector assistance. The First Secretary at the Embassy of the Netherlands, responsible for the Dutch sector assistance to BESSIP devotes some 40% of his time to the task and about 60% of the time of a full-time education specialist. The British representative at DFID spends the majority of his time on sector assistance issues. In addition, they each invite personnel from headquarters in their home countries to participate in periodic reviews for one to three weeks a year. Given the substantial time involvement in policy dialogue, negotiations, tracking progress of MOE in satisfying milestones, and various reporting tasks, USAID/Zambia plans to hire one US/TCN/TAACS to manage the implementation of the Education SPA and projectized activities. In addition, the Mission plans to hire one full-time financial analyst to handle funds transfer issues and to assist with verification of progress against milestones that will serve as funds disbursement triggers. The Education Team Leader, the Mission Program Economist, and other Mission staff will also need to be involved at crucial points during implementation of the Education SPA.

USAID/Zambia intends to follow the experience of the Mission's Health Office, and develop a Sector Program Assistance Agreement (SPAA) which will need to be negotiated with Government, and signed by the Ministry of Finance and National Planning, with Ministry of Education agreement. USAID's Regional Legal Advisor has advised the Mission that there must be a SOAG (separate bilateral agreement), as well as a SPAA, indicating that it will not be possible to include a Sector Program Assistance section in the new SOAG for SO 6 (although it will be referenced). The SPAA will establish disbursement procedures, as well as illustrative milestones for the initial three years of the Agreement (disbursement procedures are described in Annex E; milestones are discussed in Annexes B and C).

# Background

## ***1.1 Zambia Education Sector Status/Situation***

The education sector in Zambia is characterized by low pupil enrollments, low progression rates, high pupil-to-teacher ratios, poor school attendance, and poor learning achievement levels. This situation is a result of many factors, including: children remaining out of school because they are needed for income-generating activities to supplement family income, or they are needed to care for sick family members; pupils living long distances from schools; a shortage of teachers or ill-qualified teachers – especially in the rural areas; high illiteracy levels; ill health among teachers, pupils, or other education support or administrative staff; mal-nourished children who are unable to achieve their full learning potential; and, a widening gender gap due to parents not sending their children (especially girls) to school. There is also a severe shortage of school supplies, and enrollments are further impacted by high drop-out rates due to a host of reasons, including high levels of poverty, food security issues, and early marriages and pregnancies, with some pupils beginning to drop out as early as Grade 2. The HIV/AIDS pandemic has also had a particularly devastating effect on education in Zambia, resulting in a severe teacher shortage (MOE statistics show the number of teachers has actually been decreasing).

## ***1.2 Problem Statement/Constraints Analysis***

### ***1.2.1 Access and Quality***

The Ministry of Education of Zambia developed a Five-Year Education Sector Strategic Plan to address the country's educational needs. This Strategy, covering the period 2003 – 2007, is based on three key documents: “Educating Our Future” (1996), the Report on the Restructuring and Decentralization of the Ministry of Education” (2000), and the “Poverty Reduction Strategy Paper” (2001/2002). These studies document that access and quality are the major challenges facing Zambian education. In a bold move to increase access, the Government of the Republic of Zambia (GRZ) announced in February 2002 a policy of Free Middle Basic Education (Grades 1-7). Emphasis will also be placed on expanding enrollment to Upper Basic (Grades 8 and 9). This new policy is likely to lead to substantial increase in enrollment (an estimated 29%<sup>i</sup> of children aged 7-13 were not enrolled in school in 2001), but will have strong financial implications for the Government. Moreover, even with free basic education through Grade 7, some 557,000<sup>ii</sup> school-age children, particularly orphans, still may not enroll in primary schools. This implies a need for strong community involvement in primary education, as well as for development of informal and alternative approaches to reaching these children. Support of community schools, interactive radio instruction (IRI) centers, and alternative delivery systems to train teachers are approaches that might help address the access issue at the primary education level.

Overall quality of education in Zambia at the primary level (Grades 1-9) represents a major

HIV/AIDS, access to education by primary school children is reduced because teachers, school support workers, and education officials are absent or missing from the work force – and are unable to teach or maintain support functions -- due to the disease. Also, children suffer from health and nutrition problems, and are often hungry or mal-nourished, or suffer from weakness or disease. This leads either to children not attending school, or if they do attend, they are unable to participate in the classroom as active learners. Girls' access is affected in a number of ways: there is often less value placed on girls' education, which results in poor attendance and high drop-out rates – often attributed to early marriage, or demand for girls to help out at home. Pregnancy is also a factor leading to lower school attendance rates for girls.

### 1.2.2 Financial Resources for Education

GRZ's Five Year Strategy for education describes the budget allocation to education in Zambia as the lowest in the sub-region. While other countries in the sub-region allocate between 25% and 30% of total disposable budget to education, the comparable figure for GRZ in 2002 was 20.5%, the figure set by one of the HIPC triggers, and covered by European Commission conditionality established for disbursement of funds to the education sector. In terms of GDP, the education budget has accounted for just between 3.1% and 5.2% between 1998 and 2002, averaging 4.6% for the period. The total budget for the Five Year Strategy is K5,249,399 million (\$1.05 billion) of which 71% is to be financed from domestic resources; the remaining 29% is expected to come from external financing (grants and loans).<sup>iv</sup> The recurrent expenditure projected for education over the five-year strategy period accounts for 64% of total resources (52% for Middle Basic – Grades 1-7; 12% for Upper Basic – Grades 8 and 9).

## ***1.3 Institutional/Human Resources - Low Capacities***

### 1.3.1 Institutional Concerns

The Public Service Reform Program (PSRP), which began in 1993, requires that GRZ undertake a number of reforms, aimed at improving wage policy and employment, payroll management and establishment control, financial management systems, anti-corruption measures, and improvement in local government. The PSRP is a comprehensive economic structural adjustment program that is intended to improve the overall efficiency and cost-effectiveness of government at all levels.

The Ministry of Education (MOE) is carrying out a restructuring process in the context of this broad public service and governance reform. A principal objective of MOE restructuring is to shift from a highly centralized ministry to one that is more compatible with a “decentralized” system of education delivery. Key elements of the Ministry restructuring include:

- Providing 9 years of basic education to every child
- Rehabilitating infrastructure
- Enhancing the quality of education
- Supplying a sufficient numbers of teachers
- Setting standards of performance and achievement
- Providing adequate educational materials
- Increasing the education budget
- Developing records and vital statistics in education

An important element of the decentralization of education delivery is the creation of District Education Boards for basic education. This is an important expansion for basic education

delivery since boards for high school and teacher training colleges had already been established. The District Education Boards are intended to exercise certain decision-making powers at the point where basic education learning takes place, rather than from Lusaka as has been the case under the old, highly centralized system. It is believed decisions taken at the district level will improve the learning environment, and subsequently the quality of education. Specifically, each District Education Board (DEB) will have responsibility for:

- Developing rewards and incentives for school staff
- Mobilizing local resources
- Developing rules and regulations for the school(s) under its responsibility
- Implementing education policy on basic education
- Planning programs and policies for implementation of basic education in the district
- Ensuring that standards are maintained in the school(s) of its responsibility
- Implementing effective accountability of resources, and
- Managing the personnel resources within the DEB

Each DEB will be responsible to the Ministry of Education, and to the community in which it is located.

#### 1.3.2 Human Resource Concerns

Shortage of teachers is a continuing concern in Zambia. This is an area in which the devastating effects of HIV/AIDS is demonstrated dramatically. The goal for the decade of the nineties was for GRZ to produce 4,400 teachers per year in order to have sufficient teaching staff. However, the actual number of basic education teachers produced averaged 2,226 per year, and totaled only half the number of teachers projected for the decade. Though the Ministry recorded a decline in the number of teachers in the mid-1990s, in recent years that trend has been reversed with an increase from almost 37,000 teachers in 2000 to almost 38,000 in 2001 to over 40,000 in 2002.<sup>v</sup> Part of the increase is due to a change of Ministry policy, allowing untrained teachers to be hired to fill teaching positions. Despite increasing numbers of trained teachers entering into the system, this measure has been necessary to compensate for the high attrition rate of existing teachers due to HIV/AIDS, poor conditions of service, and lack of housing – especially for single female teachers in rural areas.

### ***1.4 Opportunities and Recent Developments***

#### 1.4.1 Poverty Reduction Strategy Paper (PRSP)

In May 2002, the GRZ published its PRSP, covering the period 2002 – 2004. The PRSP was the result a nationwide participatory process that involved all stakeholders with an interest in Zambian development – government agencies and institutions, traditional rulers, the private sector, civil society, and international donors. The PRSP identified a number of strategies to be engaged in the education sector, with the aim of improving the education situation. Some of the more salient strategies include:

- Increased funding for the educational sector
- Provision of quality and innovative training for teachers
- Improvements in the conditional of service for teachers, in particular provision of a living wage, and housing – especially in rural areas, and for single female teachers
- Provision of free and compulsory basic education for all
- Development of a relevant, flexible, and innovative curriculum that will accommodate evolving development priorities, such as technology advancement, HIV/AIDS prevention,

life skills, gender, environment, use of local languages for initial literacy, and topics relevant to local communities.

- Creation of special learning opportunities for out-of school children and illiterate adults
- Elimination of sources of educational disadvantage to enhance equity and equality of access, participation, and benefit for all, in accordance with individual abilities.
- Creation of a conducive and enabling environment in all institutions to enhance standards of teaching and learning
- Promotion and integration of the use of Information Communication Technology at all levels and in all modes of the educational system
- Development of an Early Child Care Education and Development (ECCED) system
- Improvements in the progression rates to high school – particularly for the poor and the girl child, and provision of quality and relevant high school education, which prepares students for further education or employment through skills and entrepreneurship training
- Establishment of a responsive and effective planning and management system that can provide accurate data, and development of appropriate policies and strategies
- Increased access of the poor and vulnerable to all educational institutions
- Acceptance of the new image and role of the school as a center for the dissemination of messages about HIV/AIDS, the environment, and civic issues, not only to its own students but also to the wider community.

Of the six programs identified as the most important for economic growth and poverty reduction with respect to the education sector, basic education was given top priority. The priority given to basic education in the PRSP underscores the appropriateness of USAID support of the sub-sector.

#### 1.4.2 Heavily Indebted Poor Countries (HIPC) Initiative

According to the World Bank, by the mid-1980s, relative to GDP, Zambia had become one of the world's most indebted nations, with a debt of standing at \$7.1 billion at the end of 2001. By the end of 2002, total debt had been reduced to \$6.5 billion, down 8.9% from a year earlier as a result of HIPC interim relief beginning to have positive effect. External debt, as a percentage of GDP, averaged 188.4% during the period 1998 – 2002; and external debt service, as a percentage of exports, averaged 16.9% for the same period.

Zambia obtained debt relief through the Enhanced HIPC Initiative, with the signing of the Decision Point in December 2000. Most creditors agreed at Decision Point to begin providing debt relief immediately during the period between the Decision Point and the Completion Point, i.e. during the period 2001-2003. This decision had significant immediate effect. In 2002, for example, debt service payments amounted to \$137 million, and in 2003 will be reduced to \$109 million (without debt relief, payments in 2003 would be \$386 million).

## Zambia's External Debt Stock (US\$ millions), 1998-2002

	1998	1999	2000	2001	2002*	%Change 2002/2001	Percent Share of Total Debt
					<b>3,240.64</b>		
<b>Multilateral</b>	<b>3,172.7</b>	<b>3,375.1</b>	<b>3,446.8</b>	<b>3,313.7</b>	<b>8</b>	<b>-2.2</b>	<b>50.0</b>
ADB/ADF	257	320.7	316.7	318.7	279.02	-12.5	4.3
World Bank	1,547.60	1,668.30	1,736.40	1,837.10	2,083.50	13.4	32.1
IMF	1,205.20	1,219.20	1,245.40	948.2	741.998	-21.7	11.4
Others	162.9	166.9	148.3	209.7	136.13	-35.1	2.1
<b>Bilateral</b>	<b>3,477.80</b>	<b>2,676.40</b>	<b>2,390.20</b>	<b>3,091.80</b>	<b>2,614.83</b>	<b>-15.4</b>	<b>40.3</b>
Paris Club	2,998.50	2,405.00	2,131.40	2,713.90	2,343.12	-13.7	36.1
Non-Paris Club	479.30	271.40	258.80	377.90	271.71	-28.1	4.2
<b>Total Government Debt</b>	<b>6,650.50</b>	<b>6,051.50</b>	<b>5,837.00</b>	<b>6,405.50</b>	<b>5,855.48</b>	<b>-8.6</b>	<b>90.3</b>
Private & Parastatals	278.20	455.90	473.50	717.50	632.26	-11.9	9.7
<b>Total External Debt</b>	<b>6,928.70</b>	<b>6,507.40</b>	<b>6,310.50</b>	<b>7,123.00</b>	<b>6,487.74</b>	<b>-8.9</b>	<b>100.0</b>

**Source:** GRZ, Ministry of Finance and National Planning, Economic Report, 2002, January 2003, page 46

\*Note: The figures for 2002 are preliminary and likely to change due to on going relief deliveries under HIPC with creditors after the effectiveness of the Eighth Paris Club Agreement.

Zambia is on track to meet the HIPC triggers and to reach Completion Point in 2003. This would qualify Zambia for maximum debt relief (the estimated write-off of debt would be in the range of some \$3.8 billion of debt in nominal terms). Of particular interest to the education sector is the fact that Zambia has already met HIPC conditionality to devote at least 20.5% of its annual discretionary expenditure on the education sector. (see Annex A for current progress against full list of triggers).

Even if Zambia reaches Completion Point, and creditors write-off debt as expected, the country will still face a substantial debt burden (estimated to remain at a level between \$2.7 and \$3.0 billion). However, Zambia's annual debt servicing burden is expected fall below \$100 million following Completion Point.<sup>vi</sup>

### 1.4.3 GRZ Education Reform Program

In the absence of a clearly articulated vision and plan in the education sector, in 1999 the Ministry of Education began the Basic Education Sub-Sector Investment Program (BESSIP). A number of international donors, including USAID supported BESSIP from the outset. The broad objectives of BESSIP were to address issues of access, quality, and equity in basic education.

BESSIP began early on applying the principles of a Sector-Wide Approach (SWAp), and actively encouraged all donors to follow these principles, including pooling resources and having GRZ take a much more engaged role in the planning, resource allocation, management, and leadership of the sub-sector. The government and most donors that participate in BESSIP have agreed on a common 'basket' or 'pool' approach whereby plans, budgets, financial flows and accounting systems are to be integrated in a manner that -- in its purest form -- would make budgetary resources of donors and the government indistinguishable under the system.

The Ministry of Education expects to establish and implement financial management systems that are effective, reliable and transparent. Notwithstanding this understanding, the financial management relationship between the Zambian government and donors is significantly conditioned by the preferences of the donors. Thus, although a pure education SWAp is mainly predicated on the assumption that donors pool their resources into a common basket, the reality presently is that many donors still do not adhere fully to this modality.

Beginning this year, GRZ has broadened the SWAp to the entire Education Sector, essentially expanding the existing BESSIP structure across the ministry under a new Ministry of Education Sector Plan (MOESP). The management structure created to administer the new Sector Plan is made up primarily of senior staff who played key roles under BESSIP and who have been elevated to higher positions with expanded responsibilities that are now truly sector-wide. For example, the Joint Steering Committee, chaired by the Minister of Education, was initially created for BESSIP, but now is a ministry-wide position. The same is true for the new Sector Plan Coordinating Committee (formerly the 'BESSIP Program Coordinating Committee'), which is chaired by the Permanent Secretary. Other management structures now have sector-wide responsibilities, including several under the leadership of the new Director of Planning and Information, who previously held the position of BESSIP Coordinator.

With the adoption of the MOESP, the MOE has articulated a clear, well-developed vision and implementation plan for the Education Sector. It has also intensified its encouragement for donors to harmonize their inputs in support of its programs. MOE developed a detailed Memorandum of Understanding (MOU) and asked donors to become signatories of the document. Signing the MOU indicates that donors agree, in principle, to support the MOE's preferred approach (e.g. SWAp) to the degree possible, including "pooled resources" for MOESP, and conveys membership and participation in its key management, consultative, and implementation structures. Also, although the MOESP is sector-wide, several donors have indicated they are unable at present to support the broad sector, but rather are interested in retaining their assistance to the basic education sub-sector, as they have been doing under BESSIP. The MOE recognized this potential problem from the outset, and designed the structure of the MOESP to accommodate this (see below), although they have made clear their wishes that donors eventually provide broad sector support, without directing it to a specific sub-sector.

#### 1.4.4 Basic Education -- Accomplishments and Lessons Learned

The World Bank concluded in December 2001<sup>vii</sup> that BESSIP had led to greater coordination within the Ministry of Education and more open communication with international donors. On the other hand, the Bank concluded that BESSIP had been less successful in attracting more resources and "harmonizing" implementation procedures, improving execution and delivery of resources, or in having their vision of basic education translated into better policy execution. A total of K101.1 billion (\$20 million) was disbursed during 2002 for various components of BESSIP.

USAID/Zambia's assessment of BESSIP is that the MOE has worked hard to put a structure in place that can improve education delivery. So far, however, gains have been relatively modest. Although the MOE has focused on definition of sub-sector indicators and baseline data have been collected, the capacity to analyze these data and use the information to influence policy direction and investment choices will take time to accomplish. Already, significant progress has been achieved in standardized reporting of donor resources, despite continued weak human capacity. Until the GRZ announcement of free education for Grades 1-7, enrollment was growing at about 2% per year; after the announcement, 2002 saw a 7%

increase. The repetition rate (a measure of efficiency) rose slightly in 2001 and again in 2002. The retention rate remained constant between 2000 and 2002.<sup>viii</sup> The progression rates from Grade 7 to Grade 8 declined slightly from 2000 to 2001, from 50% to 49%, and the 2001 National Assessment survey for Grade 5 (held every other year) remained low, showing an increase of nearly one and one-half percent in Math, but only 3/10 of one percent in English.<sup>ix</sup>

Donor concerns about financial accountability have, in fact, inadvertently contributed to the problem since many donors have felt compelled to require the MOE to produce, in addition to GRZ-mandated reporting, specific additional accounting information in different formats – to highlight different aspects of financial reporting of interest to a particular donor. This has begun to change since the MOE developed and implemented, under BESSIP, a system of quarterly reporting that has gained broad acceptance by several donors as satisfying the financial reporting details they need in a single reporting format. This has been welcomed by the MOE, as it minimizes the time and effort that MOE must devote to preparing different reporting documents, during different reporting cycles, in different reporting formats. This success has also served to encourage the MOE to continue working to bring greater harmonization to its programs, and to donor inputs into these programs.

There is continued weakness in the areas of financial planning and management, in the absence of a clear medium-term expenditure framework for spending projections. This situation is due in large part to the cash rationing budget principles put in place in 1993 by the Ministry of Finance and National Planning (MFNP). There is some progress since MFNP recently agreed to develop, as a result of World Bank assistance, quarterly cash allocation plans and to inform the line ministries of these planning figures at the beginning of the quarter. MFNP still releases line ministry budgets on a monthly basis, but against a quarterly, rather than a monthly cash allocation plan. MFNP also agreed to guarantee line ministries at least 80% of their recurrent costs for the quarter, and MFNP has also established a bridge loan capability with the Bank of Zambia to meet emergency funding needs, if required. These measures should ensure line ministries, including the Ministry of Education, of a more predictable in-flow of cash from the MFNP, so that they will be able, among other things, to smooth out cash requirements for its new MOESP. Still, development and adoption of a Medium Term Expenditure Framework will improve this process further.

## ***1.5 USAID/Zambia Education Program***

### ***1.5.1 Accomplishments and Lessons Learned***

#### ***1.5.1.1 New USAID/Zambia Education Strategy***

From late 1998 to 2003, the strategic objective of USAID/Zambia's interventions in education has been to "improve the quality of basic education for more school-aged children." Project activities were designed to achieve this objective, in collaboration with the MOE, within the framework of the Basic Education Sub-Sector Investment Program (BESSIP). BESSIP has been supported by GRZ (approximately 60% of annual basic education budget) and over 13 cooperating partners (approximately 40% of annual basic education budget with about 32% of that in the form of program assistance and the rest in the form of project support). USAID assistance is supporting all nine of the components: over-all management, infrastructure, teacher development, education materials, equity and gender, curriculum development, HIV/AIDS, school health and nutrition, and capacity building.

Under USAID/Zambia's current CSP, only project assistance has been provided in support of education programs in Zambia. This assistance has concentrated specifically on improving



delivery of health and nutrition to children in schools, reaching out-of-school children with basic education through an interactive radio program, developing a management system for improved information to education planners, mitigating the effects of HIV/AIDS on the education system, community sensitization and mobilization, and promotion of girls' education.

USAID plans to refine and enhance education programs with continued project assistance, supplemented by sector program assistance to GRZ. USAID/Zambia will concentrate both project and sector program assistance on the objective of "Improved Quality of Basic Education for More School Aged Children" during the next CSP period. The Mission's "Concept Paper for Country Strategic Plan 2004-2010", approved by USAID/Washington in December 2002, outlines this continued support to the Zambian Education Sector, building on the successful implementation of programs begun under the last Country Strategic Plan. USAID assistance, both project and sector program support, will continue to contribute to GRZ efforts to improve the quality of learning environments, delivery of school-based health and nutrition interventions, and information for decision-making.

## **2. Rationale for Sector Program Assistance**

### ***2.1 USAID Support for Recent Developments***

USAID has welcomed the several recent initiatives to increase ownership and capacity in Africa, and to reduce inefficient and burdensome mechanisms for providing assistance. USAID has been generally supportive of initiatives such as the Heavily Indebted Poor Country Initiative (HIPC), development of Poverty Reduction Strategy Papers (PRSPs), and the New Partnership for African Development (NEPAD). While the trend was already moving positively toward greater direction of the African development agenda in the hands of African leaders, with the formal creation of NEPAD, a number of African countries have demonstrated increased interest and leadership, and have taken greater responsibility for economic development in their countries. Zambia is among these forward-thinking countries, and continues to search for ways to take more direct control of economic development, with the aim of developing better policies, improving execution and delivery of services, and improving the prospects for long-term sustainability. USAID supports these efforts in Zambia, and elsewhere, and is adapting its assistance modalities to support these broad developments in the Africa region.

USAID has long held an interest in providing Sector Program Assistance (SPA) to Zambia, and has been providing SPA to the health sector since early 1999. USAID/Zambia began thinking about the possibility of providing SPA to the Education Sector as early as 2000, when the Mission approved and initially obligated funding for on-going BESSIP activities. The Education SOAG even contained a line item and notional level of funding for sector assistance, although both were dropped in subsequent amendments. The interest was renewed in the summer of 2002 when the Mission commissioned as a part of its Education Sector Review a feasibility study of the possible inclusion of program assistance as one funding modality. The recommendations of the sector review became a part of the Mission's Concept Paper for its Country Strategic Plan 2004-2010, which was submitted to USAID/Washington in October 2002. In approving the Mission's Concept Paper, USAID/Washington reported "widespread support" for using SPA in the Education sector, and authorized USAID/Zambia to proceed with plans to develop its Education Strategy accordingly, to be included in the full CSP expected to be submitted to Washington in late April 2003.

## **2.2 *Enhances Ownership and Accountability***

Sector Program Assistance in support of basic education in Zambia will help to reinforce MOE's desire to set its own agenda for education, and to control the scope and pace of policy implementation in the sector. MOE has often complained that donors distort the agenda-setting process by offering funds for things important to the donor, rather than supportive of Zambia's needs. The MOE has now taken the considerable step of designing a sector-wide program, using its own resources, focused on policies and programs its top management believes will lead to the desired outputs of better quality education for more Zambians, in a manner that can be sustained. By providing Sector Program Assistance, USAID will help to bolster GRZ confidence by putting resources into programs designed and implemented by the MOE. At the same time, SPA will strengthen internal GRZ systems of resource management and accountability by the increased scrutiny that will be focused on how well MOE systems work. This scrutiny will be performed in a number of ways: through review of quarterly reporting from the Ministry, annual audits performed by the Auditor General, direct observation of implementation progress by USAID and other donors, knowledge that if funds are not used according to MOE budget allocations or if milestones are not met, USAID's sector assistance will not be disbursed. This latter point deserves emphasis, because accepting a greater amount of funding as sector assistance carries some risk for Government, as it will be expected to perform, and there is no other on which to access blame if goals are not accomplished. The MOE will set the pace of development, reap the rewards of success, and bear the responsibility – and the consequences of reduced funding – if things do not go well. Funds will be disbursed only after milestones have been reached. Government assumes the risk, as it should, for unforeseen delays to implementing its annual work plan and budget.

## **2.3 *Supports GRZ-led Coordinated Sector Reform***

The Zambian government has adopted a Sector-Wide approach (SWAp) as the primary and preferred mode of external assistance. The Government has endorsed - through such programs as the Health Sector Assistance Program, the Agricultural Sector Investment Program (ASIP), the Road Sector Investment Program (ROADSIP), and the Basic Education Sub-Sector Investment Program (BESSIP) - the approach as a better system of utilizing and managing external assistance. GRZ has re-iterated its intention to apply the principles of SWAp also to the new Ministry of Education Sector Plan, which has now subsumed BESSIP.

The GRZ believes the conventional donor-by-donor and project-by-project mode of external assistance taxes its already weak absorptive capacity. The Government has adopted the SWAp in order to reduce the burden on its already stretched human resources, and also as a way to increase the effectiveness of external assistance. GRZ argues they can make more effective use of external assistance when donors operating in the same field/sector collaborate, harmonize their efforts, and build local institutional capacities that empower recipients to better plan, implement, monitor and evaluate their own projects/programs themselves. GRZ will have greater influence over the design and use of resources. SWAp places the Government, rather than the donor in control of the selection of projects, and the pace of implementation. In a word, it places the Government firmly in the control of its development agenda.

Further, instead of having donors place funds and expertise into a series of stand-alone projects that may not completely support the country's own objectives, they are assured that funds going into a SWAp funding basket will be used to support programs they want to implement. GRZ also believes that a plethora of stand-alone projects can, and often do, lead to a proliferation of uncoordinated donor projects, that not only hinder implementation of Government priorities, but also place overwhelming functional strain on a thin GRZ staff. A

key manifestation of this burden is the fact that many donors support projects that have different planning, reporting, accounting, administrative and legal requirements – all of which lead to fragmentation of impact.

## **2.4 *Increases USAID Influence in the Sector***

Although USAID is an important player in the basic education sub-sector, it is currently left out of a number of circles open only to the “poolers” in the basic education sub-sector. The MOU for the Ministry of Education Sector Plan conveys to signatories membership in the new Sector Plan Coordinating Committee (SPCC), a body which has become central in reviewing progress in the education sector, and influencing key decisions that affect the sector. USAID is not currently a member of this body, or of the Joint Steering Committee (JSC). For example, both these bodies have key responsibilities for approving the Annual Work Plan and Budget and monitoring expenditures for various sector and MOE projects and activities throughout the year. Providing SPA to the basic education sub-sector will give USAID an important seat at the “education table” around which key information is discussed and decisions made that directly affect USAID funded programs. Therefore, USAID’s seat on the JSC and SPCC will give its team leader a voice and vote regarding the budget expenditure of over \$1.05 billion of the MOESP. Participation in this group will give USAID a degree of leverage over policies and programs that it does not now enjoy. Having a greater voice among the other donors who are already providing significant portions of their funding to the Education SWAp pool is important for USAID. Despite USAID’s significance as a donor in the education sector, other donors seem to have disproportionately more influence on key issues solely due to their membership in these key MOE Sector management bodies, and as contributors of pooled resources that go directly into the MOE budget.

## **2.5 *Multi-donor Agreement on Use of Sector Assistance***

There is agreement among the major donors to *Zambian education* that Sector Program Assistance is important and that it should be provided. In fact, several donors have expressed very strong interests in having USAID become a contributor to the basic education pool, and to becoming a signatory to the MOE Memorandum of Understanding. It seems that many of them believe at some level that USAID participation will lend additional legitimacy to the Education SWAp.

Nonetheless, there is still a reluctance to provide general budget support (only the European Commission is doing so). Also, there is reluctance by the major donors to provide Sector Program Assistance to the entire Education Sector, without further consultation with Government (the Netherlands is considering providing funds to the full Education Sector, but has not yet reached a final decision to do so). There is general agreement, however, that sector program assistance should continue to be provided to the basic education sub-sector, as begun under the BESSIP mechanism. Several donors – Ireland Aid, DFID, and the Netherlands – strongly agree with the MOE’s stance that the provision of project assistance is distracting to Government and that it mis-allocates resources away from Government objectives.

USAID/Zambia shares the view that it now seems an appropriate time for USAID to join the Basic Education funding pool, but it does not share the view and the other donors’ view about project assistance. Rather, USAID believes strongly that there should be a combination of funding modalities to maximize program effectiveness. USAID would use all three major funding modalities:

- ◆ Project Assistance in key areas where GRZ finds it difficult to work and where delays in decision-making would adversely affect overall quality of education services -- interactive radio, EMIS are two examples
- ◆ Technical Assistance -- aimed at bringing in specific skills, such as HIV/AIDS specialists, or IT specialists, and
- ◆ Sector Program Assistance -- aimed at strengthening existing GRZ systems, and making sure that Government takes a leading and decisive role in setting and staying the course of the country's development agenda

Sector Program Assistance is an important piece of this development arsenal, as both the donors and Government agree. USAID needs to utilize every funding modality at its disposal to ensure its full partnership and maximum influence in the sector.

## ***2.6 Reduces GRZ Project Management Burden***

There is little dispute that many donors implementing many projects, with different schedules for committing funds, different reporting requirements, and all needing at some point to interface with GRZ officials, places a considerable burden on Government. Under the best of circumstances, GRZ officials knowledgeable about these projects are overworked and hardly have sufficient time even to meet with donors, not to mention attempting to remain current of project developments and progress. When coupled with the need to try and ensure that all activities are consistent with – and hopefully contribute to – the Government's development goals and objectives, it is easy to grasp the pressure under which many GRZ officials find themselves. The situation often results in a number of projects that contribute only marginally -- if at all -- to GRZ priorities, high administrative costs, lack of country ownership, cost and time overruns, and a disappointing record of sustainability. In some cases, the primary objective of many projects is missed, namely, instead of building capacity, some projects can end up taxing existing capacity – exacerbating the very problem they are designed to relieve. Sector Program Assistance provided directly to GRZ control for use within its own budget will free up GRZ staff to do their jobs of implementing programs, instead of catering to the information needs of well-intentioned donors, whose project activities may not in fact contribute as effectively as they would like.

## ***2.7 Provides Needed Education Sector Support***

The MOE has developed a comprehensive Strategic Plan 2003 – 2007, which outlines the GRZ investment in basic education across a myriad of program categories. Many of these categories support the MOE decentralization plans to transfer resources to the district level and directly to schools, and to devolve planning and management control to the districts as well. USAID/Zambia believes, as does the MOE, that these actions are critical to improving both access to education for an increased number of pupils, and improving the quality of education. Current USAID/Zambia project assistance supports specific pieces of the GRZ strategy, but sector program assistance will enable the Mission to enhance those same key areas, and will therefore increase the effectiveness of the project assistance provided by the US. Several illustrative examples are provided below, to show how project and sector program assistance might be used effectively together:

Example 1: USAID project assistance provides content development and broadcasting of age-specific and grade-specific materials to schools. Program assistance could expand the reach of these materials to community schools/zonal resource centers, support development of distance education strategies for using broadcasting as a delivery medium, and expand IT capacity and methodologies for distance learning.

Objective of both project and program assistance: increase the number of pupils receiving education through broadcast media.

Example 2: USAID project assistance supports institutionalization of EMIS in central MOE offices, in provinces and districts. Program assistance could support training of DEB staff to collect/input education data/lifeskills information.

Example 3: Project assistance used to establish SHN intervention delivery system, health and medical education regarding sanitation, de-worming, and micro-nutrients. Program assistance could be used to expand education to communities, create synergies between school teachers and health workers, and develop information packets that can be sent to children's homes.

While sector program assistance can be used by GRZ to support any of its basic education programs contained in its NIF and AWPB, USAID would be particularly interested in looking closely at those areas in which USAID project funding is focused: increasing access and quality, mitigating the impact of HIV/AIDS, increasing the reach of an effective SHN program, expanding use of EMIS to all levels of the education system, and supporting the Ministry's decentralization plans that should bring more resources to districts and schools.

### **3. Program Assistance Strategy**

#### ***3.1 Support GRZ/MOE-led Education Sector Plan***

The MOE has developed a new Ministry of Education Sector Plan, detailed in its "Strategic Plan 2003-2007", "Education Sector Program – Annual Work Plans & Budgets", and "National Implementation Framework". The Ministry of Education Sector Plan (MOESP) covers the Ministry as a whole, rather than a single sub-sector. The overall goals of the MOESP are set forth clearly in a Memorandum of Understanding prepared by the ministry and circulated to all donors.

The goals are defined as follows:

- ◆ Equitable access to education at all levels through formal and alternative modes of delivery in partnership with key stakeholders
- ◆ Quality and relevant education, which enhances knowledge, skills, attitudes, values and lifelong learning
- ◆ An improved policy formulation, planning and information management environment
- ◆ A sufficient, skilled and motivated human resource for the education system
- ◆ A properly financed, professionally managed, accountable and cost-effective decentralized education delivery system, and
- ◆ An education system that counters the HIV/AIDS pandemic and manages its impact on education delivery, poverty and gender inequity.

The MOU further explains that first priority will be afforded to basic education among all programs within the Ministry.

MOE makes clear that it intends to "move towards a full SWAp" and that the funding modalities to be used by donors should reflect this. The revised funding modalities to be used across the Ministry of Education are as follows<sup>6</sup>:

### 3.1.1 Direct Sector Support Fund (Pool Funding)

Funds are channeled directly to MOE and deposited in a common bank account *under the control and management* of the Ministry of Education. Funds will be used towards approved activities identified for the whole sector, as defined in the National Implementation Framework. Each level – basic, high school and/or tertiary sub-sectors – can be beneficiaries of these pooled funds.

### 3.1.2 Designated Support Funds

Funds are channeled directly to MOE and deposited in separate donor designated bank accounts *under the control and management* of the Ministry of Education. These funds will be allocated according to prioritized requirements and bilateral donor agreements with MOE. Further, allocation of funds to each sub-sector or specific activities will be defined in the AWPB, as guided by the National Implementation Framework.

### 3.1.3 Other Support Fund

Funds are provided from existing bilateral agreement with donors who continue to provide project funding within the stipulation of these agreements. The funds will be deposited in separate bank accounts *under the control and management* of the donor agency, but will be used in line with the objectives and priorities as set out in the National Implementation Framework.

All new support for education -- if pooled -- will go into either the Direct Sector Support Fund or into one of the Designated Support Funds. If funds were to be used throughout the education sector, they would go into the Direct Sector Support Fund. It appears there will be several Designated Support Funds, presumably with separate pools established for each major sub-sector of MOE -- including one for basic education, which likely means that the current BESSIP pool will continue under MOESP, although perhaps under a different name. All non-pooled funds – those not under MOE control – would be categorized as “Other Support” and would be accounted for perhaps through the use of separate “other support fund” accounts established for each major sub-sector, since donors will now be expected to report to MOE on all project funding. The Ministry of Education has made clear its intent that that all donors will be encouraged to pool their resources for support to the education sector, consistent with the MOE’s long-term goal of phasing out on-going stand-alone projects. The Ministry has encouraged all donors to become signatories to the MOESP Memorandum of Understanding, signed by most basic education donors in a widely publicized ceremony in Lusaka in February 2003.

One practical issue that MOE must address for BESSIP is how to handle the transition from the current “BESSIP pool” to one of the new funds identified under the MOE Sector Plan, all of which will eventually be managed under a common Integrated Financial Management Information System (IFMIS). However, this system is not yet in place, although MOE is slated to begin using the system on a pilot basis as soon as it is available. In the interim, MOE is using two accounting systems simultaneously: the Financial Management System (FMS) to account for GRZ expenditures, and a proprietary financial software package<sup>xi</sup>, to account for donor expenditures currently under BESSIP. The Ministry of Education Accounting Unit has overall responsibility for all ministry accounting, and BESSIP accounting will eventually be

subsumed within this unit. The BESSIP Financial Manager told USAID her office plans to continue tracking existing agreements under the chart of accounts initially established, until these agreements expire. This approach appears to offer a sensible temporary solution. At present, the BESSIP Financial Manager says the system being used for BESSIP accounting is more robust than the Ministry of Finance's existing financial system -- the FMS. IFMIS is currently projected to be operational by 2005, and all GRZ accounting is to be integrated into this new comprehensive system.

### ***3.2 Other Donor Experience with Program Assistance in Zambia***

Other donor experience with program assistance in Zambia has been mixed, although with respect to basic education the experience has been generally positive. The general outcome of program assistance in the health, infrastructure (roads), and education sectors is that there has been an improvement in local ownership of development issues, more standardized reporting on resource allocation and some progress in the health and education sectors. At the same time, qualitative results have been disappointing or hard to quantify. One of the key constraints in the basic education area has been the inability to attract and retain skilled people -- teachers, managers, and administrative and technical personnel. Lack of donor confidence in the Government's financial management and reporting systems, as sufficiently robust and transparent, has been one of the principal reasons for the relatively cautious provision of sector support (about 32% of total donor assistance to BESSIP) and an even greater reluctance to provide general budget support.

### ***3.3 Common Monitoring and Evaluation***

GRZ plans to prepare quarterly finance and progress reports that would be presented to the Strategic Plan Coordinating Committee (on which USAID could sit if it becomes a signatory to the MOESP Memorandum of Understanding). An annual MOESP progress and financial report will be prepared at the end of each calendar year. The Joint Steering Committee (JCS), another committee reserved for signatory partners, will review progress against the Annual Work Plan. There will also be an annual Independent Audit Report, prepared by the Office of the Auditor General of Zambia. Finally, the MOE is planning to carry out a Mid-Term Evaluation in the third year of the Strategic Plan. USAID/Zambia is proposing a seven-year Sector Program Assistance Strategy, that would be reviewed at the end of Year Three, to coincide with the Ministry's Mid-Term Evaluation of the MOESP. This would offer a unique opportunity for USAID to assess progress under the Education SPA, perhaps jointly with the Ministry's review of the Sector Plan. Special attention could then be focused on the reasonableness and utility of the USAID milestones selected to date under the Education SPA, against the pace of MOE progress in improving basic education performance (per agreed indicators) and in assessing the progress of decentralization. This should be invaluable in helping the Mission determine appropriate milestones for the second half of the Education SPA.

### ***3.4 Leverage USAID Assistance for Key Policies and Programs***

The December 2001 World Bank report cites several "binding constraints on progress" in the education sector, specifically with respect to basic education. USAID/Zambia conclusions, based on its own assessment of issues, discussions with GRZ personnel and with other donors concerned with education delivery in Zambia, are very similar. Important constraints include:

- Limited implementation capacity
- Slowness in developing MTEF
- An understaffed Directorate of Planning and Information

- Slow decentralization progress
- Slow creation of District Education Boards
- Lack of adequate monitoring due to insufficient basic data and capacity
- Lack of coordination between the MOE and MFNP

USAID / Zambia proposes to address all of the above constraints through a combination of Project and Sector Program Assistance during the implementation period of the 2004-2010 CSP. This can be accomplished with fine-tuning of projects that will be undertaken in support of the MOE Strategic Plan, and with selection of appropriate milestones under new Education Sector Program Assistance to support basic education.

The CSP presents a well-integrated Mission strategy, with the education Strategic Objective clearly focused on improving the quality of basic education for more school-age children. The core of the Mission's Education Strategy will be supported by project assistance – specifically, through the continuation, expansion, and enhancement of project activities under the current CSP. Sector Program Assistance is closely aligned with project assistance being provided to the sector, and complementary to it. In fact, Program Assistance is designed to extend the impact of project assistance through support of the Ministry's efforts to complete its restructuring under the Public Service Reform Program (PSRP) and to bring concrete expression to plans to decentralize education delivery systems in order to place receipt and management of education resources closer to the point of learning dissemination – i.e., at the Provincial and District levels. For example, under USAID/Zambia's extension of IRI (expanding content for different age children, making transmissions available on an ever-widening basis), Program Assistance can be used within the MOE Strategy to develop materials appropriate for, and bring the technology into community schools, train staff in community schools, and extend IRI support to government schools that are not funded through IRI project assistance.

Another example of synergies between project and program assistance relates to Ministry efforts to bring about greater decentralization, particularly as the issue relates to delivery of basic education. Decentralization will affect all USAID/Zambia projects, but the reach of USAID project assistance is not sufficient to directly advance the Ministry's efforts on a broad basis, outside of strengthening information management and data systems. Key elements of the MOE efforts on which USAID sector program assistance could be particularly helpful include: budgeting and financial management training for provincial and district staff, support for District Education Boards (training in financial accountability, human resource management training, training in education policy development, procurement issues – to name but a few of the very real obstacles to realizing meaningful decentralization). By selecting milestones that embody these specific outcomes – staffing and training of DEBs, staffing and training of personnel who can collect and input education management information into EMIS in the provinces and districts, staffing and training of DESO staff at the provincial level (who will understand the importance of education information and subsequently provide data into IFMIS). Within the specific budget estimations contained in the MOE Strategic Plan 2003-2007, USAID Program Assistance milestones can be selected that will help to ensure and sustain MOE achievement of these important elements of their Strategy. The same use of USAID Program Assistance will also re-enforce specific efforts supported by USAID Project Assistance in the sector.

### ***3.5 Expected Results/Impact***

Through a combination of Project Assistance and Program Assistance, USAID/Zambia would expect to have a positive impact on:



- ◆ Providing quality basic education for primary school pupils, as well as out-of school children, orphans and other vulnerable children
- ◆ Mitigating the impact of HIV/AIDS on education
- ◆ Developing and implementing policies, plans and programs for school health and nutrition
- ◆ Improving information for efficient resource management through utilization of a decentralized EMIS, and
- ◆ Improving financial and human resources management through assistance to GRZ efforts to decentralize delivery of education

### **3.6 Key Benchmarks**

USAID/Zambia has developed five Performance Areas, all of which fall within the basic education sub sector of MOESP's National Implementation Framework. Those five Performance Areas are the same areas that will be supported by USAID/Zambia project assistance to the basic education sub sector during the 2004-2010 CSP, and are, therefore, directly supportive of GRZ efforts. The Performance Areas are:

- ◆ Provision of Quality Basic Education for More School Aged Children, Including Those Out-of-School, Orphans and Other Vulnerable Children – especially girls
- ◆ Mitigation of the Impact of HIV/AIDS on Education
- ◆ Development and Implementation of Policies, Plans and Programs for School Health and Nutrition
- ◆ Improved Information for Efficient Resource Management
- ◆ Improved Financial and Human Resources Management

The Mission has developed a number of “Illustrative Milestones”, either taken directly from the MOESP National Implementation Framework, or based on it (see Annex B for a full list of Milestones). Although the full list of possible Milestones is spread over the full seven years of the Education SPA, less detail is provided after Year Three on the assumption that important new Milestones may be identified as implementation proceeds. From the longer list of Milestones, a more fully developed list of Illustrative Milestones has been included, which the Mission believes are the most likely proxies for progress in each of the five Performance Areas during the first three years of implementation (this shorter list is found at Annex C).

Like SPA already approved for the Zambia Health sector, USAID/Zambia is requesting USAID/Washington approval of a “Rolling Design” that will permit future Milestones to be negotiated by the Mission with the Government of the Republic of Zambia as part of its annual SPA review. This is consistent with program assistance guidance that lack of flexibility can leave programs vulnerable to key external developments, resulting in an inability to respond to important political or macro-economic changes. This Education Sector Program Assistance Strategy is presented as a seven-year program, and USAID/Zambia is requesting Washington approval for the full period. Moreover, USAID/Zambia is also requesting Washington approval to review the Education SPA at the end of the third year – at the same time GRZ plans to hold a mid-term review of its new MOESP. The Mission is requesting, further, Washington concurrence to use this review after the initial three years of implementation as the basis on which to decide whether the Education SPA is having sufficient success that it

should be continued as designed, if it needs significant modification, if it could be extended to other sub-sectors and truly become support for the entire Education Sector (should USAID funding be available outside the “basic education earmark”), or if the Education SPA should be continued at all. The fact notwithstanding that a short list of illustrative Milestones, and suggested disbursements associated with each is identified for the initial three years (Annex C), the “Rolling Design” should provide USAID/Zambia the opportunity to either re-confirm or re-negotiate Milestones annually after the first year of implementation. It should be noted, also, that the short list of Milestones will continue to be discussed (negotiated) with GRZ as the Ministry of Education continues to refine its indicators for its Sector Plan.

While USAID/Zambia will review the situation closely and address specific Milestones during negotiation of the Education SPA agreement, current information suggests that the short list of Milestones identified in Annex C offer a good starting point for developing reasonable Milestones. They also appear to offer basis for achieving USAID and MOE objectives during the initial three-year implementation period. Specific releases to be associated with each Milestone, and the specific verification documentation USAID/Zambia will require from MOE will be refined following completion of the Pre-Award Assessment of MOE, and during negotiation of the Education SPA agreement as USAID funding levels become clearer.

### ***3.7 Critical Assumptions***

Effective implementation of the Education SPA will be heavily dependent upon a number of factors. This section attempts to summarize those assumptions that are critical to this process.

#### **3.7.1 Adequate GRZ/MOE Sector, Sub-Sector and Program Financing**

Despite increased allocations to the education sector (as a percentage of GDP) in recent years, the past dozen years have characterized nonetheless by insufficient funding in the education sector. The MOE projects a five-year budget that is dependent on domestic resources (75%) and external funding (loans and grants). If either is not forthcoming, there will be insufficient resources to accomplish the Plan put forward by the Ministry of Education. Therefore, adequate financing is critical for the sector. Within the Education Sector, basic education has received the lion’s share of funding provided to the sector. Non-salary recurrent costs for Grades 1-9 are projected to receive K1,890,722 million, \$378.1 million<sup>xii</sup> or 63% of total non-salary recurrent costs funding expected to be available to the sector for the period 2003 – 2007.

#### **3.7.2 Political Commitment -- Policy Coherence/Timeliness**

An important assumption is that the GRZ retains the priority it has afforded to education, and to basic education in particular. This commitment must continue for the full five-year life of the MOESP, and into the future if significant positive changes are to occur. GRZ must ensure that its long-term policies continue to be supportive of macroeconomic structural change, poverty reduction, and social sector improvement – including an aggressive attack on HIV/AIDS. In addition to the long-term political commitment of Government, implementation policies supportive of the Education Sector must be carried out on a timely basis, without undue delay that might result from internal bickering over relative priority to be accorded among various sectors competing for scarce resources.

#### **3.7.3 Capable Individual and Institutional Capacity to Manage Reform Program**

Adequately trained and dedicated human resources remain an important key. Zambia has trained personnel, but the country continues to lose large numbers of trained teachers and other human resources to neighboring countries where they find better compensation for their skills, and better living conditions. HIV/AIDS and other diseases also reduce the number of skilled individuals necessary for Zambia’s development. Particularly with respect to losses of

teachers, managerial and administrative personnel in the education sector, Zambia must find a strategy that will permit the recruitment and retention of personnel in sufficient numbers, and other strategies that will compensate for teacher absence or attrition. Implementation of these strategies will be key to improving both access and quality of education.

#### 3.7.4 GRZ Will Meet HIPC Triggers

HIPC is extremely important to Zambia. Without the interim debt service relief extended to Zambia after the country reached the Decision Point in December 2000, debt servicing would be crippling. Savings as a result of interim debt service relief will average some \$300 million each year between 2001-2003. Meeting the HIPC triggers and reaching Completion Point will result in forgiveness of nearly \$4 billion. It is imperative that Zambia meet the triggers and obtain the debt forgiveness if it is to make any real headway in reducing the staggering accumulated debt, which currently stands at \$6.5 billion.

#### 3.7.5 Decentralization -- Resources and Responsibilities Continue to Move From Center to Districts and Schools

Zambia is well into implementing a restructuring plan under the Public Service Reform Program. Implementation must continue, not only in terms of rationalizing the existing public service (size, responsibilities, location of jobs), but also in terms of ensuring a steady devolution of authorities and resources away from the central government to management operating closer to the delivery of services. This is crucial in the social sectors, but especially for the education sector which is devolving (de-concentrating) at a much slower pace than that of the health sector -- which began its restructuring and decentralization process nearly a decade ago.

## **4. Program Assistance Implementation**

### ***4.1 Planning Requirements***

Initial planning for an Education SPA began in July 2002 when USAID/Zambia commissioned a feasibility study to look at the potential for implementing program assistance in Zambia. The study looked at GRZ policy toward the Sector-Wide Approach (SWAp) to development planning and implementation. Discussions were held with GRZ officials in several ministries (Education, Agriculture, Finance), with other donors actively involved in SWAp implementation in Zambia, and with other USAID offices -- including health which has very recent and relevant experience with Sector Program Assistance. These discussions led the Mission to conclude that a carefully designed Education Sector Program Assistance could be a solid complement to the project that USAID/Zambia is already implementing and that is planned for the coming CSP period. The next stage was to discuss the Sector Program Assistance idea with the Program Assistance Task Team in USAID/Washington, and subsequently to include the idea of Sector Program Assistance in the CSP Concept Paper that was presented to USAID/Washington in October 2002. State 267694 of December 30, 2002 provided Washington approval of the approach outlined in USAID/Zambia's Concept Paper.

USAID/Zambia has concluded that Education Sector Program Assistance disbursed as a cash disbursement of U.S. dollars through an auction system is preferred and justified. This disbursement procedure has already been established by the Mission for disbursement of Health Sector Program Assistance. The Mission has previously confirmed the existence of substantial liberalization of foreign exchange and import controls in Zambia, and procedures

for establishing a Separate Dollar Account are already in place with the Ministry of Finance and National Planning and with the Bank of Zambia.

#### ***4.2 Pre-Award assessment of MOE Financial Capabilities***

SPA guidance (Special Planning Requirements – Analyses) requires that USAID must “undertake institutional and financial management analyses to ensure in-country capability exists to implement all elements of the assistance,” including “...accounting for HCOLC...” The guidance says further that “...These analyses shall be based on the operating unit’s general assessment of the host country’s accountability environment, which assessment is required periodically by USAID/W....” The Ministry of Education’s budgetary processes will be examined to ensure their sufficiency to handle funds placed into a “common basket”. Once the budgetary processes are established as sufficient, HCOLOC generated from the auction of U. S. dollars disbursed under the Education SPA will be programmed as general sector support in accordance with Policy Determination 18.

USAID/Zambia has prepared a detailed scope of work for a pre-award assessment of the Ministry of Education (see Annex D). The assessment would examine the Ministry’s financial management capabilities, accounting systems, internal control systems and policies, and its procedures and practices. The scope of work is sufficient to provide USAID/Zambia with the information necessary to assess the Ministry’s capabilities to administer SPA, and specifically to program and account for HCOLC. In the case of the Health SPA, USAID/Zambia contracted with Price Waterhouse and Deloitte and Touche to do assessments of the Ministry of Health and the Ministry of Finance. With respect to the Education SPA, USAID/Zambia Office of Financial Management has advised that it will not be necessary to do a new assessment of the Ministry of Finance.

The World Bank has just completed a detailed assessment of the Government’s entire Public Expenditure Framework.<sup>xiii</sup> The report looks at the budgeting and allocation system followed by GRZ, and assesses its strengths and weaknesses. It provides a picture of a competent government system of budgeting and funds allocation, which is being strengthened with World Bank assistance. One of the points made several times in the Bank report is that there has been a conscious decision on the part of Government to protect the social sectors. (education and health), and that both the Ministry of Education and the Ministry of Health have routinely received actual cash releases from the Ministry of Finance and National Planning, greater than their annual budget requests. With respect to the Mission’s proposed Education SPA, this documents a strong FRZ commitment to support the education sector in the past, a commitment that should be strengthened by the Ministry of Education’s most recent comprehensive five-year Strategy Plan, and its detailed Annual Work Plan and Budget for 2003. The recent forward-looking planning and budgeting done by the MOE should also increase the Ministry of Finance and National Planning’s demonstrated confidence in MOE by its past record of cash allocations. Mission experience with the Ministry of Finance and National Planning under the Health SPA, other donor experience with the MOE under the BESSIP funding pool over the past three years, and the World Bank’s recent assessment of the GRZ public expenditure framework as a whole, give the Mission confidence to request that the USAID/Washington review and approval process move forward at the same time that the Mission goes forward with the pre-award assessment for the Ministry of Education.

The solicitation for assessment of the Ministry of Education will be completed by the end of March 2003. The estimated level of effort to perform the assessment is 60 days, although given there normally needs to be some period of time allowed for the contractor to review any USAID questions and comments and make revisions to its report, it is prudent to expect that

the pre-award assessment will be completed ninety days from the date of the tender, or no later than the end of June 2003. Given the CSP review schedule that USAID/Zambia has agreed to with USAID/Washington, the Mission requests that the Washington review and approval process for the Education SPA and the pre-award assessment for the Ministry of Education proceed simultaneously. If Washington approves the Education SPA before the assessment is completed, a Condition Precedent to Disbursement of Funds will be included in the agreement.

#### ***4.3 Consultations With GRZ on Benchmarks***

USAID/Zambia has begun the process of discussing benchmarks. The Education Team Leader, along with a consultant strategy design team, met with the MOE Director of Planning and Information to discuss USAID's preliminary list of benchmarks ("milestones"). The Director's initial reaction was positive, although he wanted to study the preliminary list against benchmarks included in the MOESP, and its accompanying documents: the Annual Work Plan and Budget, and the National Implementation Framework. The Director also told USAID that the budget and work plan documents distributed to donors in early February were drafts and that the MOE planned to complete a final version – which may include updated benchmarks – by the end of March 2003. A subsequent meeting was scheduled to meet with the Director and his senior staff, and a meeting is expected with the Permanent Secretary to explain USAID's thinking about supporting the basic education sub-sector of the MOESP, USAID's concept of how sector program assistance can sector support the Ministry's plans, and to present the preliminary benchmarks that will be refined in subsequent discussion/negotiation with MOE, and that will subsequently serve as the release triggers for any assistance USAID decides to provide using this modality.

The benchmarks were also discussed with the Director of Planning at the Ministry of Finance and National Planning, the Budget Director of the Ministry of Finance and National Planning, the BESSIP Finance Director of the Ministry of Education, and the Chief Accountant at the Ministry of Education. These were preliminary discussions, and the USAID/Mission plans to have more detailed discussions as the large universe of possible benchmarks is narrowed down to implementation level.

#### ***4.4 SPA Agreement***

USAID/Zambia intends to follow the experience of the Mission's Health Office, and develop a Sector Program Assistance Agreement (SPAA) which will need to be negotiated with Government, and signed by the Ministry of Finance and National Planning, with Ministry of Education agreement. USAID's Regional Legal Advisor has advised the Mission that there must be a SOAG (separate bilateral agreement), as well as a SPAA, indicating that it will not be possible to include a Sector Program Assistance section in the new SOAG for SO 6 (although it will be referenced). The SPAA will establish disbursement procedures, as well as illustrative milestones for the initial three years of the Agreement (disbursement procedures are described in Annex E; milestones are discussed in Annexes B and C).

#### ***4.5 Trust Fund***

USAID/Zambia intends to negotiate a Trust Fund to support Mission administrative expenses. The Health SPA established this precedent, and it should be continued under the Education SPA. Up to ten percent of local currency generations will be deposited directly from the Separate Local Currency Account to the USAID Trust Fund (see discussion of disbursement procedures in Annex E).

#### ***4.6 USAID Management Capability/Requirements***

Managing Sector Program Assistance is labor intensive, and will require USAID/Zambia resources dedicated specifically for this purpose. The Ministry of Education, under BESSIP, has made a determined effort to involve the pooling donors in dialogue and to ensure they are kept fully apprised of Ministry plans and actions. The Mission determined that Ireland Aid, one of the principal pool contributors to the BESSIP funding pool, has one full-time person devoted to management of their sector assistance, plus the principal Ireland Aid representative spends half of his time on education sector assistance. The First Secretary at the Embassy of the Netherlands, responsible for the Dutch sector assistance to BESSIP devotes some 40% of his time to the task and about 60% of the time of a full-time education specialist. The British representative at DFID spends the majority of his time on sector assistance issues. In addition, they each invite personnel from headquarters in their home countries to participate in periodic reviews for one to three weeks a year. Given the substantial time involvement in policy dialogue, negotiations, tracking progress of MOE in satisfying milestones, and various reporting tasks, USAID/Zambia requests approval of one US/TCN PSC to manage the Education SPA. In addition, the Mission requests one additional full-time financial analyst to handle funds transfer issues and to assist with verification of progress against milestones that will serve as funds disbursement triggers. The Education Team Leader, the Mission Program Economist, and other Mission staff will also need to be involved at crucial points during implementation of the Education SPA.

#### ***4.7 GRZ Management Capability/Requirements***

USAID/Zambia believes the management capabilities at the MOE are strong and that procedures are well established within the Ministry. The Director of Planning and Information will be the principal contact at the MOE for overall policy, planning and substantive issues related to establishing and meeting milestones, and other issues that arise through the Sector Plan Coordinating Committee. The BESSIP Finance Manager (who is likely to take on broader responsibilities under the Ministry Sector Plan) and/or the Chief Accountant of the Ministry will be principal contact(s) with respect to financial issues.

The Mission plans to continue to establish working contacts at the Ministry of Finance and National Planning. Initial contact has been established already with the Director of Planning, the Director of Budget, and the Director of Economic and Technical Cooperation. The USAID Desk Officer, who participated in one meeting at Finance where the Education SPA was discussed, has been very helpful to the USAID Health Office in making arrangements for the Health SPA. The Education Office, in collaboration with other Mission resources, plans to work with the Ministry of Finance and National Planning to establish a committee that will handle issues concerning the SPA. The USAID Health Office found that establishing a committee at MFNP to follow the Health SPA was very beneficial, and that the Ministry's appointment of the Acting Director of External Resource Mobilization as head of the MFNP team for the Health SPA proved very effective. The Education Office plans to follow the same procedure, and work through some of the same individuals in establishing a working relationship at MFNP for implementing the Education SPA .

#### ***4.8 Coordination with other donors***

Currently there are six donors providing funds to the BESSIP funding pool (Netherlands, Norway, Ireland, the United Kingdom, Finland, and Denmark). In addition, the European Commission provides foreign currency (Euros) to the Ministry of Finance and National Planning (MFNP) for generation of local currency (kwacha) that GRZ uses for debt reduction and to finance priority budget expenditures in the health, education, agriculture and

infrastructure sectors. The EC has developed a program tied to Zambia's Poverty Reduction Strategy Paper and to its HIPC initiative. The Irish, Swedes, Danes, and Dutch have expressed interest in examining more closely a relationship with the MFNP, but all plan to follow closely USAID's experience with the proposed Education SPA before making any firm decision to alter their established procedures.

At present, coordination among donors in the education sector is frequent and quite good. The problem for USAID is that as a "non-pooler" and a non-signatory to the Ministry of Education Memorandum of Understanding, USAID is not included in a number of key meetings and discussions. Especially, USAID is not a member of the Joint Steering Committee or the Sector Plan Coordination Committee, key policy deliberation bodies for the Education Sector. This leaves USAID at a considerable disadvantage. The situation will change when USAID signs the MOU. There is the expectation that USAID/Zambia will be able to sign the MOU after the Education SPA is approved by USAID/Washington and the new Education SOAG is in place.

## **5. Resource Disbursement Mechanisms**

### ***5.1 Dollars Disbursed to MFNP Against Benchmarks ("Milestones")***

USAID/Zambia has developed a disbursement mechanism under the Health Sector Program Assistance (SPA) that has been negotiated over several months. This re-negotiation of a dollar disbursement mechanism became necessary after Zambia reached the Decision Point under HIPC in December 2000, in anticipation that all U.S. debt would be forgiven under HIPC. The same auction mechanism will be used for the Education SPA, since all issues of funds transfer have already been sorted out with the Ministry of Finance and National Planning. The Mission has discussed the mechanism with several key individuals at MFNP, including the Director of Planning, the Director of Budget, and the Director of Economic and Technical Cooperation. Mission personnel also met with key individuals at the Ministry of Education, including the Permanent Secretary, the Director of Planning and Information, the Chief Accountant, and the BESSIP Financial Manager. All have agreed to the basic tenets of the way funds will be transferred, the preliminary milestones against which funds would be released, and the use of funds in support of basic education activities. The disbursement procedures<sup>xiv</sup> are described in Annex E.

### ***5.2 Local Currency Requirements and Usage***

#### **5.2.1 Host County Owned Local Currency (HCOLC)**

Using an auction to disburse U.S. dollars under the proposed Education SPA will generate local currency that will be considered owned by the host country (HCOLC), and must be deposited into a separate account. HCOLC must be programmed jointly with USAID, in a manner consistent with appropriation legislation. These funds will be deposited into a "common basket" with other resources (from GRZ and donors) which will be programmed as part of the GRZ's "on-budget" resources projected in its budget documents, specifically to implement the Ministry of Education "Strategic Plan 2003 – 2007."

#### **5.2.3 Approved Use of HCOLC**

USAID/Zambia is recommending that HCOLC generated under the Education SPA be used for two of the four approved uses of such generations. Not less than ninety percent (90%) of the HCOLC will be used to support the Education Sector of the Government of the Republic

of Zambia's budget. Up to ten percent (10%) of the HCOLC will be used to fund administrative costs of the USAID Mission in Zambia.

#### 5.2.4 HCOLC Implementation Requirements Accountability.

USAID will provide adequate accountability for local currencies generated under the Education SPA. Specifically, USAID will ensure that local currencies are:

- ◆ Deposited and disbursed in the agreed-upon manner
- ◆ Used for intended purposes once they are disbursed from the Local Currency Separate Account, and
- ◆ Evaluated for impact of the HCOLC-financed programs

##### *5.2.4.1 Monitoring.*

USAID/Zambia plans to supplement its ability to monitor the Education SPA by using program funds (from the Education SOAG, not from the SPAA) to secure US/TCN PSC technical assistance. This is proposed as a full-time position, and will be used in conjunction with other Mission resources.

##### *5.2.4.2 Audits.*

The Education SPA agreement will include the requirement that the GRZ conduct regular internal and external audits at least once every year by the Zambian Auditor General. USAID/Zambia may also consider contributing to the strengthening of internal audit capacities and/or funding (or co-funding) independent external audits. USAID/Zambia could consider this possible support either as an Education Ministry-specific issue with program funds from the Education SOAG, as a broader anti-corruption measure in conjunction with SO8 (Government Held More Accountable) activities, or possibly as a jointly programmed SPA milestone with SO7 (Improved Health Status of Zambians).

### **5.3 Reporting Requirements**

Reports must be received at least quarterly, covering every aspect of the Sector Program Assistance. BESSIP has developed a quarterly report that is distributed to all members of the SPCC. The report details expenditures against the BESSIP annual budget, which adequately details uses of BESSIP resources, down to the district level. This report is adequate for USAID purposes, and has been accepted by all six of the current contributors to the BESSIP pool. A new chart of accounts is being developed by the Ministry of Education to reflect the budget structure of the MOESP and the Annual Work Plans and Budget, that will reflect expenditures for the basic education sub-sector. USAID/Zambia will need to review this new reporting format to ensure that it has the detail of information needed. The experience of other pool contributors with the original BESSIP reporting is positive and provides a reasonable basis on which USAID can anticipate sufficient reporting detail under the new format. At the writing of this document, the new reporting format has not been completed.

The Health Office of USAID/Zambia has worked out detailed arrangements with the Ministry of Finance and National Planning, establishing reporting on tracking funds deposited to the Special Dollar Account, and to the Special Local Currency Account for the Health SPA. The Education Office plans to follow the Health Office reporting procedures, already in place. See disbursement procedures above for discussion, including documentation of transfers.



## **6. Feasibility Analyses**

### ***6.1 Transparency and Accountability***

#### **6.1.1 Corruption as a Major Impediment to Development**

Zambia also has a weak record of 'good governance,' particularly in the area of accountability of resources (both domestic and external). This is a factor that leads to a level of concern when considering providing resources into a system perceived as less than transparent, and not fully accountable. Weaknesses in public resources management and accountability have been reported periodically in the Auditor General's reports to the President. Unauthorized and unconstitutional expenditures seem to be reported by oversight institutions with some frequency, many of which are highly publicized. All these revelations raise serious questions regarding financial resource management capacity of the government system in Zambia, and these are valid concerns that must be addressed.

Nonetheless, a number of recent considerations are very promising and should be taken into account when looking at Zambia's overall record. A number of donors are working with GRZ to strengthen the operations of the Office of the Auditor General. The World Bank, Norway, and the Netherlands are all working with the Government on this issue. The U.S. has offered its assistance as well.

Particularly noteworthy is the particularly high profile anti-corruption campaign underway in Zambia. In July 2002, the President of Zambia went public with a number of allegations that may implicate former President Chiluba and other high-ranking officials of mis-handling large sums of public funds. Although an Anti-Corruption Commission has been functioning in Zambia since the 1980s, in order to sharpen the Government's investigational resources, an Anti-Corruption Task Force was also put in place, and legal proceedings have been working their way through the Zambia system of justice. Parliament first heard the allegations and began debating whether the former President's immunity should be lifted so that a full investigation could be conducted. Following Parliamentary debate, the decision was taken to lift the former president's immunity. After further investigation, former President Chiluba was interrogated, formal charges were lodged against him, and he was subsequently arrested in February 2003. The case is now with the Zambian courts, and has already involved the Supreme Court.

These proceedings have taken place under much public scrutiny. There were public demonstrations early in the process, and there has been an outcry of public outrage and extensive media coverage (newspapers, television, radio) that has continued unabated for more than seven months. Now that the Anti-Corruption Task Force is in full force, newspaper and other media carry daily requests for information of suspected wrong-doing that may have occurred over the last decade, effectively broadening the investigation to include all public service performed in recent memory.

These actions are unprecedented in the region – and rare anywhere in the world. Even President Bush lauded the Government of Zambia's anti-corruption efforts when Ambassador Inonge Mbikusita-Lewanika presented her credentials to the President in February 2003. The President also pledged U.S. help to support Zambia's fight against corruption.

The strong anti-corruption campaign being conducted under the leadership of President Mwanawasa sends a very strong message to the people of Zambia that corruption will not be

tolerated, and that the same high standards will be applied to any citizen – regardless of his or her position. Government has stated a policy of “Zero tolerance on corruption.” Moreover, while the public has been very vocal, often showing a lot of emotion, the Government is handling the anti-corruption campaign through the Zambian legal system, with a great deal of poise and in a manner that appears to be following legal precedent where it exists, and breaking new ground at the same time.

These events bode well for Zambia. They help to instill a sense of confidence that the country and its leaders are prepared to take difficult decisions to safeguard the public trust. They also help to reassure investors, the international financial institutions, commercial banks, and cooperating partners as well that despite past perceptions of lack of transparency, apparent suspect accountability, and weak financial management, Zambia is a country willing to work hard to correct these problems. It also suggests that the country is well worthy of any support available, from public and/or private sources.

The anti-corruption actions taken in Zambia are also important for the region. The message of intolerance of suspected wrongdoing at the highest levels of government in Zambia also conveys the broader message to residents in other countries in the region that all who hold positions of public trust should and will be held accountable for their actions -- no matter how powerful, feared or revered they are, and whether or not they remain in office. The message also is that there is no apparent statute of limitations on the public’s ability – and willingness -- to pursue justice long after the events in question were purported to have transpired.

#### 6.1.2 Possible USAID Assistance to Combat Corruption

USAID/Zambia may want to explore ways to support or bolster GRZ commitment to combat corruption. One obvious way will be through SO 8 of the Mission Strategy: Government Held More Accountable. However, building on President Bush’s pledge of U.S. support to the Zambian ambassador to help fight corruption and other “white collar” crimes, there may be an opportunity for USAID to discuss with MOE the use of HCOLC generated from the Education SPA to improve procurement procedures, as they relate to basic education programs, with an eye to reducing opportunities for mis-allocation of funds. Also, if specific ties could be found to link specifically to protecting basic education funds, HCOLC might be used in ways that would strengthen anti-corruption units – by placing local staff in a DEB or DESO or by providing a specific anti-corruption training module to school administrative staff. Finally, there may even be specific ways that the MOE could use its funds to strengthen Auditor General and audit functions, although Norway, the Netherlands, and the World Bank are already providing funding in this general area.

### **6.2 Macroeconomic Performance**

Zambia has made considerable macroeconomic progress during recent years. GDP has grown, inflation has fallen – though it remains high, investments have increased marginally, Government revenue collection has increased, and there has been generally low volatility in exchange rate movements. See Annex F for a detailed analysis of Zambia’s macroeconomic performance.

### **6.3 Education Budget and Financing**

#### 6.3.1 Budget Trends

See Annex F for recent education budget trends.

### 6.3.2 Cost Projections

The Ministry of Finance projects the total education budget for the five-year Strategy period at K 5,249,399 million (\$1.05 billion). K 3,735,465 million – 71% is to be financed from domestic sources, with the remaining budget (K 1,513,934 million --- \$302.8 million) expected to come from external sources.

### 6.3.3 Recurrent Costs and Expenditures

For the period 2003 –2007 total recurrent expenditure is projected at K 3,847,931,000,000 (\$769.6 million) at 2001 constant prices. Of this amount 64% is projected to go to Basic Education (Grades 1 –9). These figures are based on a projection of average GDP growth during the period of between 4% and 5% (GDP growth in 2002 was 3%, due to a number of external factors such as drought and reduced agricultural output).

### *Recurrent Cost Projections in Millions of Kwacha at 2001 Constant Prices*

	2001	2002	2003	2004	2005	2006	2007	Total
Middle Basic	193,730	239,790	281,257	291,508	303,914	317,578	335,928	<b>1,963,705</b>
Upper Basic	51,367	63,980	68,010	69,597	71,944	74,070	76,916	<b>475,884</b>
High School	36,977	45,305	49,966	52,435	55,978	58,263	60,780	<b>359,704</b>
Teacher Training	15,459	17,818	17,862	17,907	18,428	19,190	20,195	<b>126,859</b>
Professional Dev	10,580	10,493	13,380	14,664	15,921	17,105	18,270	<b>100,413</b>
Administration	62,814	48,930	78,593	69,946	70,551	71,166	71,789	<b>473,789</b>
University	37,504	44,100	44,982	45,882	46,799	47,735	48,690	<b>315,692</b>
Other	4,363	4,363	4,450	4,539	4,630	4,723	4,817	<b>31,885</b>
<b>TOTAL RECURRENT</b>	<b>412,794</b>	<b>474,779</b>	<b>558,500</b>	<b>566,478</b>	<b>588,165</b>	<b>609,830</b>	<b>637,385</b>	<b>3,847,931</b>

Source: Government of Republic of Zambia, Ministry of Education, Strategic Plan 2003-2007, Jan. 2003, p. 64.

### 6.3.4 Financing Gap

The funding gap for the Strategy during the five-year period is estimated at K884,195 million, with an annual gap of K155,872 million.<sup>xv</sup>

Looking at GRZ expenditures projected over the first three years of the proposed USAID Education SPA, total education expenditures are projected to increase by 26% in 2003 above the previous year, 38% in 2004 above the previous year, and by 18% in 2005 above the previous year. External resources are projected to increase about 30% a year in 2003 and 2004, and decrease about 10% in 2005. For domestic resources, the increase declines by half each year, starting with a 30% increase in 2003, a 16% increase in 2004 and an 8% increase in 2005. This can be interpreted to mean that with sizable increases in both domestic and external resources in 2003, a corresponding large increase in expenditures result in a relatively small funding gap (\$8.9 million). However, the even larger expenditure projections in 2004 are not sustained by the continued high increase in external resources in the face of a substantial decline (by half) in domestic resources. The result is a nearly a five-fold increase in the funding gap in 2004. Continued increased expenditures (even at a lower rate) lead to continued growth in the funding gap (it doubles) in 2005, as a result of a decline in absolute terms of external resources and continued decline in the growth rate of domestic resources. Assuming the GRZ follows the projected expenditure pattern over the next three years and resources materialize as projected, the years 2004 and 2005 – the latter year especially – will be difficult years. The Education SPA, projecting a modest release of dollars in the first year,

with releases increasing over the next two years could be an important element in GRZ's ability to stay the course of its Strategy, at least up to its planned mid-program review at the end of Year 3 (2005).

**Funding Gap Analysis (Million Kwacha, Current Prices)**

	<b>Actual</b>	<b>Estimate</b>		<b>Projected</b>				<b>Total</b>
	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2003 – 07</b>
<b>Expenditure</b>	484,850	713,519	899,551	1,244,067	1,471,567	1,396,807	1,121,602	6,133,595
<i>Recurrent</i>	412,794	556,465	725,942	782,701	845,172	902,592	971,678	4,228,085
<i>Capital</i>	72,056	157,054	173,609	461,366	626,395	494,215	149,924	1,905,509
<b>Resources</b>	484,850	662,480	858,647	1,031,010	1,055,705	1,118,537	1,185,499	5,249,399
<i>Domestic</i>	353,472	464,000	601,047	699,442	756,516	810,380	868,079	3,735,465
<i>External</i>	131,377	198,480	257,600	331,568	299,189	308,157	317,420	1,513,934
<b>Funding Gap</b>	<b>0</b>	<b>51,039</b>	<b>40,904</b>	<b>213,057</b>	<b>415,862</b>	<b>278,270</b>	<b>(63,897)</b>	<b>884,195</b>
<b>Funding Gap (US\$ 000,000)</b>	<b>0.0</b>	<b>12.3</b>	<b>8.9</b>	<b>43.7</b>	<b>82.0</b>	<b>53.3</b>	<b>-11.9</b>	<b>176</b>

Source: Government of Republic of Zambia, Ministry of Education, Strategic Plan 2003-2007, January 2003, p.66.

## **ANNEXES**

**ANNEX A**  
**HIPC Triggers**

**Progress on the Implementation of HIPC Triggers**

<b>HIPC Triggers</b>	<b>Status or Comments at end-December 2002</b>
<b>Poverty Reduction</b> The adoption of a PRSP with implementation and monitoring for at least one year.	PRSP was approved by Cabinet and subsequently endorsed by the Bretton Wood institutions in May 2002. It was officially launched in July, 2002.  Implementation started with the 2002 budget including PRP programmes. About 2.2 percent of the 2002 budget was targeted to PRP activities
<b>Progress in Combating HIV/AIDS</b> Full staffing of secretariat for National HIV/AIDS/TB Council.  Integration of HIV/AIDS awareness and prevention programs in the pre-service and in-service programs of at least 10 key ministries.	All positions filled.  HIV/AIDS awareness and prevention programmes in their pre-service and in-service training programmes integrated.
<b>Progress in Education Sector Reform</b> Increasing the share of education in the domestic discretionary budget from 18.5 percent in 1999 to at least 20.5 percent.  Raising the starting compensation of teachers in rural areas.  Formulating an action plan for increasing student retention.	The percentage shares of Education in the Domestic Discretionary Budget rose to 20.8 percent from 18.5 percent in 1999.  80 percent salary increase to Primary School teachers raising average salary (pre-tax). A salary related rural hardship allowance of 20 percent of basic salary is in place.  A strategic plan in place.
<b>Progress in Health Sector Reforms</b> Implementation and scaling-up of an action plan for malaria. Procedures and mechanisms for the procurement of drugs reorganized to be fully transparent and efficient.  Timely release of complete, detailed, annual health expenditure data.  Actual cash release to District Health Management Boards to be at least 90 percent of the amount budgeted.	Implementation of the themes begun.  The roles of the Ministry of Health and Central Board of Health procurement Units have been reviewed. A procurement procedures manual prepared in collaboration with Co-operating Partners has been finalized.  Preparations of annual and quarterly reports.  A considerable increase in GRZ grants (average percentage of actual versus budgeted figures) to District Health Boards from 66 percent to 84 percent in 2002.
<b>Macroeconomic and Structural Reforms</b> Maintenance of a stable macroeconomic environment.  Implementation of an Integrated Financial Management Information System (IFMIS) on a pilot basis.	PRGF arrangement is on track.  The IFMIS project team commenced with a short-term consultant and a Senior Accountant from MOFNP.

Implementation of a Medium Term Expenditure Framework (MTEF) prepared by MOFNP and approved by Cabinet.

A Budget Framework Paper for 2003 has been prepared. The Budget Framework is a sound basis for the introduction of the MTEF in 2004.

Restructuring and issuance of international bidding documents for the sale of a majority (controlling) interest in ZESCO.

With regard to ZESCO, 15 expressions of interest were received. Detailed terms of reference for engaging transaction advisors were submitted to World Bank for a no objection in July 2002. Agreed mode of sale was by concessioning.

Issuance of international bidding documents for the sale of a majority (controlling) interest in the Zambia National Commercial Bank ZNCB).

The ZPA advertised the sell of 51 percent GRZ shares on 18<sup>th</sup> May, 2002. 1.0036oitTwTD0f'02 TcpNat62002.

## ANNEX B

### Milestones – Initial Three Years

#### USAID/ZAMBIA EDUCATION SECTOR PROGRAM ASSISTANCE MILESTONE TIMELINE: INITIAL THREE-YEAR PERIOD

GRZ/MOE & USAID EDUCATION SECTOR PROGRAM OBJECTIVES	CURRENT STATUS	YEAR 1	YEAR 2	YEAR 3
		<i>Illustrative Performance Milestones</i>	<i>Illustrative Performance Milestones</i>	<i>Illustrative performance Milestones</i>
1. PROVIDE QUALITY BASIC EDUCATION FOR MORE SCHOOL AGED CHILDREN, INCLUDING THOSE OUT-OF-SCHOOL, ORPHANS AND OTHER VULNERABLE CHILDREN	<ul style="list-style-type: none"> <li>• IRI included in MOE SP &amp; NIF</li> <li>• 22 centers in '00, 252 in '01, and 369 in '02</li> <li>• 700 30-minute IRI lessons developed for grades 1-4</li> <li>• 33.2% and 34.3% national rates of achievement for English and Math –Grade 5</li> <li>• Curriculum ref . testing used by Examinations Council</li> </ul>	1.1.1 BESSIP Evaluation completed 1.1.2 Policy and plans to provide quality education to OCV developed and integrated into annual sector plans and budgets 1.1.3 Strategies developed for expanded delivery of education through education broadcasting	1.2.1 Strategies and plans developed for improved quality of teacher training through multimedia technology 1.2.2 Strategies developed and implemented for inclusion of orphans and vulnerable children 1.2.3 Relevant staff trained in management of distance education programs 1.2.4 Strategies and plans implemented for expanded delivery of education through broadcasting	1.3.1 Capacity developed to produce multi-media teacher training programs 1.3.2 Improve the learning achievement levels in Grade 5 in literacy and numeracy 1.3.3 Monitoring and assessment resources in place to measure teaching in community schools, interactive radio centers, and open learning centers 1.3.4 IT capacity and methodologies for distance learning developed
2. MITIGATE IMPACT OF HIV/AIDS IMPACT ON EDUCATION	<ul style="list-style-type: none"> <li>• National HIV/AIDS policy adopted by GRZ</li> </ul>	2.1.1 HIV/AIDS Impact Study completed 2.1.2 MOE policy on HIV/AIDS developed, approved and integrated into NIF and AWBP 2.1.3 Increased provision of relevant information on HIV/AIDS and skills for preventing its transmission to reach all pupils and teachers	2.2.1 Plans developed and implemented in every school to prevent HIV/AIDS transmission and mitigate its impact in the school community 2.2.2 Sensitize schools and local communities on care, causes, and prevention of HIV/AIDS 2.2.3 Strategies and plans developed to mitigate problems due to school staff replacements caused by sickness, training or death	2.3.1 Policies, regulations, and guidelines developed and coordinated for delivering multi-sector collaboration on HIV/AIDS, using both traditional and alternative systems 2.3.2 Develop and implement HIV/AIDS work place policy 2.3.3 Mechanism operational for school staff replacements caused by sickness, training or death
3. DEVELOP AND IMPLEMENT POLICIES, PLANS AND PROGRAMS FOR SCHOOL HEALTH AND NUTRITION	<ul style="list-style-type: none"> <li>♦ SHN intervention successful in ____ schools in Eastern Province</li> <li>♦ Improving health of ____children</li> </ul>	3.1.1 Strategy developed for implementation of School Health and Nutrition program	3.2.1 Expansion of de-worming and micro-nutrient additional schools	3.3.1 School health and nutrition school policies and plans implemented in additional schools 3.3.2 Expansion of de-worming and micro-nutrient additional schools



GRZ/MOE & USAID EDUCATION SECTOR PROGRAM OBJECTIVES	CURRENT STATUS	YEAR 1	YEAR 2	YEAR 3
4. IMPROVE INFORMATION FOR EFFICIENT RESOURCE MANAGEMENT	♦ Nationwide, decentralized EMIS in MOE SP and NIF	4.1.1 Plan developed for phasing in EMIS to the provincial and district levels 4.1.2 Adequate EMIS staff in place in Eastern & Southern Provinces 4.1.3 Analytical Skills Training completed for Eastern/Southern Provinces 4.1.4 Zonal Resources Centers established	4.2.1 EMIS extended to provincial and district levels 4.2.2 Adequate EMIS staff with appropriate skills in place at provincial and district levels 4.2.3 Analytical skills training for planners completed in other provinces and districts	4.3.1 Expand the number of zonal resources 4.3.2 Implement other interventions, including school feeding program, for pupils with nutrition supplementation where necessary
		<i>Illustrative Performance Milestones</i>	<i>Illustrative Performance Milestones</i>	<i>Illustrative performance Milestones</i>
5. IMPROVE FINANCIAL AND HUMAN RESOURCES MANAGEMENT	♦ Restructuring Plan underway ♦ Decentralization underway ♦ Improved financial management and procurement in SP and NIF Guidelines developed for all levels of restructuring plan	5.1.1 Develop and implement guidelines for DEBs 5.1.2 Build capacity of accounts section at HQ to ensure regular and prompt disbursement of funds to DEBs 5.1.3 Mechanism in place to ensure continuation of school grants	5.2.1 Agreements and social contracts developed for community support and monitoring of grants to schools 5.2.2 Review, revise and implement financial management, accounting and reporting systems and procedures at all levels 5.2.3 Implement decentralized financial management and accounting systems and control mechanisms 5.2.4 Expanded number of DEBs with adequate trained staff to ensure prompt disbursement and reporting	5.3.1 Capacity-building programs developed and prioritized in areas of systems management, development planning, and financial management for all DEBs 5.3.2 Increased efficiency in procurement, financial management and accounting, and personnel management

<b><i>Means of verification/indicators</i></b>	Baseline established, based on CY 2002 data	<ul style="list-style-type: none"> <li>◆ Increase in # of children benefiting from IRI programming (1)</li> <li>◆ Develop/disseminate relevant info on HIV/AIDS to all basic education teachers and pupils (2)</li> <li>◆ SHN-focused management system in place and tested (3)</li> <li>◆ System in place providing regular and sufficient quarterly disbursements to DEBs, in accordance with AWPB (5)</li> </ul>	<ul style="list-style-type: none"> <li>• Increase in # of teachers trained through use of technology (1)</li> <li>• Policy on replacement teachers developed, approved and pilot tested in X# districts/schools (2)</li> <li>• Completed DHS Education Survey (4)</li> <li>• Adequate EMIS staff in place in all MOE offices (4)</li> <li>• Adequate system in place to track, account and report BESSIP resources throughout cycle, from allocation through expenditure, reflected in quarterly reporting (5)</li> </ul>	<ul style="list-style-type: none"> <li>• Impact surveys completed on HIV/AIDS and Life Skills activities</li> <li>• Annual MOE expenditures for basic Ed. of at least xx% of total GRZ actual domestically financed discretionary expenditures (4)</li> <li>• IFMIS operational and being used by BESSIP to track and manage resources (4)</li> </ul> <p>1) Assessment: Review progress of PA as part of MOE Mid-Term Review. Revise milestones; refocus assistance if necessary.</p>
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## Milestones – Year Four Through Year Seven

**USAID/ZAMBIA  
EDUCATION SECTOR PROGRAM ASSISTANCE  
MILESTONE TIMELINE: OUT YEARS – YEARS 4 THROUGH 7**

GRZ/MOE & USAID EDUCATION SECTOR PROGRAM OBJECTIVES	CURRENT STATUS	YEAR 4	YEAR 5	YEAR 6	YEAR 7
		<i>Illustrative Performance Milestones</i>	<i>Illustrative Performance Milestones</i>	<i>Illustrative performance Milestones</i>	
1. PROVIDE QUALITY BASIC EDUCATION FOR MORE SCHOOL AGED CHILDREN, INCLUDING THOSE OUT- OF-SCHOOL, ORPHANS AND OTHER VULNERABLE CHILDREN	<ul style="list-style-type: none"> <li>• IRI included in MOE SP &amp; NIF</li> <li>• 22 centers in '00, 252 in '01, and 369 in '02</li> <li>• 700 30-minute IRI lessons developed for grades 1-4</li> <li>• 33.2% and 34.3% national rates of achievement for English and Math –Grade 5</li> <li>• Curriculum ref . testing used by Examinations Council</li> </ul>	1.4.1 Develop delivery system for multi-media teacher training 1.4.2 Improved quality of teacher training through multi-media technology	1.5.1 Implement delivery system for multi-media teacher training 1.5.2 Improve the learning achievement levels in Grade 5 in literacy and numeracy		1.7.1 Improve the learning achievement levels in Grade 5 in literacy and numeracy
2. MITIGATE IMPACT OF HIV/AIDS IMPACT ON EDUCATION	<ul style="list-style-type: none"> <li>• National HIV/AIDS policy adopted by GRZ</li> </ul>	2.4.1 Expanded use of Zonal Centers 2.4.2 Mechanism operational for school staff replacements caused by sickness, training or death 2.4.3 Implement HIV/AIDS work place policy 2)	2.5.1 Plans developed and implemented in every school to prevent HIV/AIDS transmission and mitigate its impact in the school community		
3. DEVELOP AND IMPLEMENT POLICIES, PLANS AND PROGRAMS FOR SCHOOL HEALTH AND NUTRITION	<ul style="list-style-type: none"> <li>♦ SHN intervention successful in ___ schools in Eastern Province</li> <li>♦ Improving health of ___children</li> </ul>	3.4.1 Expansion of de-worming and micro-nutrient additional schools	3.5.1 Expansion of de-worming and micro-nutrient additional schools	3.6.1 Expansion of de-worming and micro-nutrient additional schools	3.7.1 Expansion of de-worming and micro-nutrient additional schools; MOE and MOH working collaboratively to extend/maintain program
4. IMPROVE INFORMATION FOR EFFICIENT RESOURCE MANAGEMENT	<ul style="list-style-type: none"> <li>♦ Nationwide, decentralized EMIS in MOE SP and NIF</li> </ul>	4.4.1 Expand the number of zonal resources 4.4.2	4.5.1 Expand the number of zonal resources 4.5.2 Plans and strategy to expand EMIS use at school level	4.6.1 Expand the number of zonal resources	4.7.1 Expand number of zonal resources in collaboration with other line ministries, NGO's, UNZA and communities 4.7.2 EMIS correctly used at school level

GRZ/MOE & USAID EDUCATION SECTOR PROGRAM OBJECTIVES	CURRENT STATUS	YEAR 4	YEAR 5	YEAR 6	YEAR 7
		<i>Illustrative Performance Milestones</i>	<i>Illustrative Performance Milestones</i>	<i>Illustrative performance Milestones</i>	
5. IMPROVE FINANCIAL AND HUMAN RESOURCES MANAGEMENT	<ul style="list-style-type: none"> <li>◆ Restructuring Plan underway</li> <li>◆ Decentralization underway</li> <li>◆ Improved financial management and procurement in SP and NIF Guidelines developed for all levels of restructuring plan</li> </ul>	5.1.4 Develop and implement guidelines for DEBs 5.1.5 Build capacity of accounts section at HQ to ensure regular and prompt disbursement of funds to DEBs 5.1.6 Mechanism in place to ensure continuation of school grants 5.1.7 Increased efficiency in procurement, financial management and accounting, personnel management	5.2.5 Agreements and social contracts developed for community support and monitoring of grants to schools 5.2.6 Review, revise and implement financial management, accounting and reporting systems and procedures at all levels 5.2.7 Implement decentralized financial management and accounting systems and control mechanisms 5.2.8 Expanded number of DEBs with adequate trained staff to ensure prompt disbursement and reporting	5.3.3 Capacity-building programs developed and prioritized in areas of systems management, development planning, and financial management for all DEBs	5.3.4 Increased efficiency in procurement, financial management and accounting, and personnel management
<i>Means of verification/indicators</i>	Baseline established, based on CY 2002 data	<ul style="list-style-type: none"> <li>◆ Increase in # of teachers receiving teacher training through multi-media technology (1)</li> <li>◆ Number of school teacher vacancies decline over previous year (2)</li> <li>◆ Knowledge of HIV/AIDS integrated into work place practices (2)</li> <li>◆ Number of children taking de-worming medicine and micro-nutrients increased above previous year (3)</li> <li>◆ DEBs receiving increasing levels of funding, above previous year; accounting for funds to DESO and Planning Directorate with increased accuracy and timeliness</li> </ul> 3)	<ul style="list-style-type: none"> <li>• Achievement levels in Grade 5 in literacy and numeracy higher than last testing period (1)</li> <li>• Every school has in place and actively pursuing plan to prevent HIV/AIDS transmission (2)</li> <li>◆ Number of children taking de-worming medicine and micro-nutrients increased above previous year (3)</li> <li>• Financial management and accounting systems and control mechanisms in place and being used effectively in DEBs and DESOs (5)</li> </ul> 4) 5)	<ul style="list-style-type: none"> <li>• Accounting personnel in DEBs and DESOs collecting and inputting financial data into IFMIS to track and manage resources (5)</li> </ul>	<ul style="list-style-type: none"> <li>◆ Achievement levels in Grade 5 in literacy and numeracy higher than last testing period (1)</li> <li>◆ Number of children taking de-worming medicine and micro-nutrients increased above previous year (3)</li> <li>◆ Multi-sectoral collaboration making use of zonal resources and involving a number of community groups</li> </ul>

## **ANNEX C**

### **Funding Scenarios – Each Milestone**

## **MILESTONES FOR EDUCATION SECTOR PROGRAM ASSISTANCE**

Year	Milestone	Illustrative Release
1	<p>Performance Area One: Quality Basic Education for More School-Aged Children</p> <p>Milestone 1.1.1 BESSIP evaluation Completed</p> <p>Rationale: Provides current baseline information on the status of implementation of MOE's basic education efforts to date. This will assist in documenting progress over the life of the MOESP</p> <p>Means of Verification: Submit to USAID, both in hard copy and electronic form, copies of the completed BESSIP Evaluation report</p>	\$200,000
1	<p>Performance Area Two: Mitigating the Impact of HIV/AIDS on Education</p> <p>Milestone 2.1.1. Assessment of the Impact of HIV/AIDS on the Education System</p> <p>Rationale: Provides current baseline information on the extent of the disease and document the effect it is having on teaching professionals, class attendance, learning environment, quality of learning</p> <p>Means of Verification: Submit to USAID, both in hard copy and electronic form, copies of the completed Assessment report</p>	\$300,000

Year	Milestone	Illustrative Release
1	<p>Performance Area One: Quality Basic Education for More School-Aged Children</p> <p>Milestone 1.2.0 Increase GRZ share of education in the domestic discretionary budget to at least 20.5 percent</p> <p>Rationale: This milestone is also a HIPC Trigger that is also covered by the EC under its budgetary support (counter-value funding) for support of GRZ expenditures, including education. Obtaining this milestone will help to assure that MOE has the resources needed to finance its 2003 AWPB, and basic education which is an important part of the AWPB.</p> <p>Means of Verification: Quarterly reporting from MOESP to the SPCC and the JSC. Also, evidence that MFNP has made actual cash releases to MOE that add to at target figure.</p>	\$500,000

Note: The tentative funding level for the first year of USAID/Zambia's Education Sector Program Assistance is \$500,000. Therefore, first year releases would be EITHER against Milestones 1.1.1 and 2.1.1 OR the release against the HIPC trigger (which is not on the initial long list of Milestones – Annex B), which would substitute for Milestone 1.1.1.

Year	Milestone	Illustrative Release
2	<p>Performance Area Two: Mitigating the Impact of HIV/AIDS on Education</p> <p>Milestone 2.2.1 Plans developed and implemented in every school to prevent HIV/AIDS transmission and mitigate its impact in the school community</p> <p>Rationale: Documents current District-level baseline information on the extent of the disease and the measures taken at the district level and below to prevent/mitigate its impact</p> <p>Means of Verification: Quarterly SPCC reports, Annual Progress Reports, and Annual District AWPB.</p>	\$500,000
2	<p>Performance Area Three: Develop and Implement Policies, Plans and Program for School Health and Nutrition</p> <p>Milestone 3.2.1 Provide support for implementing SHN strategy by facilitating procurement of drugs (to be provided from other funding) and distribution through the school system.</p> <p>Rationale: Support the expansion of de-worming and micro-nutrients in additional schools. Could improve synergies between MOE, MOH and communities.</p> <p>Means of Verification: Evidence provided to USAID through MOESP quarterly reports and SHN project of increasing number of children receiving micro-nutrients and de-worming drugs.</p>	\$200,000

Year	Milestone	Illustrative Release
2	<p>Performance Area One: Quality Basic Education for More School-Aged Children</p> <p>Milestone 1.2.1 Strategies and plans implemented for expanded delivery of education through broadcasting</p> <p>Rationale: Increased number of children benefiting from IRI programming as a result of GRZ policy commitment to expand use of this technology.</p> <p>Means of Verification: Data received by USAID from implementing partners and GRZ reporting on support provided to IRI Centers, including increase in the hours of broadcast and expanding materials development and use.</p>	\$500,000
2	<p>Performance Area Four: Improved Information for Efficient Resource Management</p> <p>Milestone 4.2.1 EMIS extended to more provincial and district levels</p> <p>Rationale: A robust and reliable information system is key to MOE's ability to plan adequately for education delivery, track enrollment and progression rates, and monitor its resources. EMIS provides such a mechanism, broad expansion requires resources additional to those provided as project assistance.</p> <p>Means of Verification: MOESP quarterly reports and/or annual progress reports showing resources and outcomes provided in support of EMIS expansion to the district and provincial levels, staff training, coupled with reports from USAID, EMIS, and implementing partners.</p>	\$300,000



Year	Milestone	Illustrative Release
3	<p>Performance Area One: Quality Basic Education for More School-Aged Children</p> <p>Milestone 1.3.1 Improve the learning achievement levels in Grade 5 literacy and numeracy</p> <p>Rationale: Grade 5 National Assessment Survey is an important benchmark of pupil achievement. Results of this testing will give an indication of whether the basic education interventions are having a positive effect on learning achievement and education quality.</p> <p>Means of Verification: Most recent Grade 5 NAS results as compared to previous survey results, provided to USAID.</p>	\$1,000,000
3	<p>Performance Area Two: Mitigating the impact of HIV/AIDS on Education</p> <p>Milestone 2.3.3 Strategies operational for school staff replacements caused by sickness, training or death</p> <p>Rationale: Provides details of strategies such as incentive packages, recruitment practices, retention policies, insurance schemes that will assure some level of coverage coupled with stability/constancy in the teaching staff and use of alternative education delivery system (e.g., IRI supplementation), and/or education management/administrative staff such that schools are able to continue providing quality education, despite the devastating impact of HIV/AIDS and other debilitating diseases.</p> <p>Means of Verification: Details of GRZ recruitment/retention mechanism in form and substance such that USAID has reasonable assurance of its effective implementation capability. In additions, USAID will provide continuing scrutiny of the MOE AWPB through planning and quarterly/annual progress reports.</p>	\$300,000

Year	Milestone	Illustrative Release
3	<p>Performance Area Five: Improved Financial and Human Resources Management</p> <p>Milestone 5.3.1 Capacity-building programs developed and prioritized in areas of systems management, development planning, and financial management for all District Education Boards.</p> <p>Rationale: A key component in realizing effective decentralization of education delivery is whether there are concrete programs in place to increase the capacity within the DEBs to provide adequate accountability of funds received.</p> <p>Means of Verification: Reports provided in form and substance acceptable to USAID demonstrating that training programs have been developed and specific arrangements are in place for providing the critical skills required by DEB staff to provide planning, financial management, accountability for available resources.</p>	\$1,000,000

#### Milestone Numbering Legend

First Digit: Performance Area  
Second Digit: Year of Implementation  
Third Digit: Number of Milestone By Performance Area

## **ANNEX D**

### **SOW for Ministry of Education Pre-Award Assessment**

#### **STATEMENT OF WORK FOR A PRE-AWARD ASSESSMENT OF THE MINISTRY OF EDUCATION (MOE)**

##### **A. BACKGROUND**

**For an organization that has never received funding from the USAID, it will be required to undergo a Pre-Award Assessment. No project funds will be released until this has been done.**

However, the conduct of a pre-award assessment is not in itself a guarantee or assurance that USAID will do business with the prospective recipient.

Zambia has since the mid-nineties undertaken to reform its education system to address not expanding access and improving quality but also eliminating gender disparities in education at all levels. The roles of the Ministry of Education (MOE) are as varied as the stakeholders it interacts with. In addition to providing support services to basic, high school and tertiary education, it works with the private sector, autonomous institutions and other line Ministries that deal with education and training.

The Ministry of Education has strived to address the above issues through key documents and strategies such as National Policy on Education, “Educating our Future”, The Basic Education sub-Sector Investment Program (BESSIP) and the new Strategic Plan for the period 2003-2007. MOE policies and strategies for addressing both quality and equity issues include the expansion and rehabilitation of school infrastructure, curriculum development, teacher training and deployment, school health and nutrition, water and sanitation, gender mainstreaming, HIV/AIDS issues, inclusive learning, decentralization and overall capacity building.

6) Access and quality are seen as the major challenges facing Zambia in education. In order for the Ministry of Education to overcome these challenges, it has become necessary to solicit active participation from the broadest spectrum of stakeholders. These include other government agencies and ministries, wide representation from civil society, religious organizations, the private sector and international development agencies.

##### **B. TITLE**

Pre-award assessment of the Ministry of Education (MOE)’s Financial Management capabilities, Accounting systems, Internal Control systems and policies, procedures and practices.

##### **C. OBJECTIVE**

The objective of the Pre-Award assessment is to provide reasonable assurance to USAID that the Ministry of Education (MOE) (hereafter referred to as the recipient or organization) has an acceptable accounting and financial management system and other systems of internal controls, as well as acceptable policies, procedures, and practices and can:

- 1) meet project goals and objectives;
- 2) adequately safeguard and efficiently utilize resources;
- 3) obtain, maintain, and fairly disclose reliable data; and
- 4) comply with applicable laws and regulations.

7) and where applicable, what recommendations need to be implemented in order to strengthen the grantee's internal control procedures, the accounting and financial management systems that are in place. The pre-award should also establish the organization's roles and responsibilities to perform and the ability to maintain the necessary management competencies in planning and carrying out assistance programs, and that the organization will practice mutually agreed upon methods of accountability for funds or other assets provided by USAID.

#### D. SCOPE OF WORK

In order to qualify for a USAID grant, an organization must have an acceptable accounting and financial management system and other systems of internal controls, as well as acceptable policies, procedures, and practices.

To provide reasonable assurance that the organization has an acceptable accounting and financial management system and other systems of internal controls, as well as acceptable policies, procedures and practices, the organizations systems should at a minimum provide for:

a). Reports:

Financial reports must be accurate, current and disclosure adequate relevant information. While USAID requires reporting on an accrual basis, the recipient shall not be required to establish an accrual accounting system but have a system that would enable the organization to develop such accrual data for its reports on the basis of an analysis of the documentation at hand.

b). Records:

Records must be complete and current and identify adequately the source(s) and application(s) of funds. The Financial Management System shall produce accounting records that are supported by documentation which at a minimum will identify, segregate, accumulate and record all costs incurred in relation to a specific funding source.

c). Internal Controls:

The Financial Management System should provide for effective control over and accountability for all funds, property and other assets. The organization should adequately safeguard all assets and ensure that they are used for authorized purposes.

d). Budget versus actual outlays:

The Financial Management System should provide for comparison of actual outlays with budgeted amounts for each funding source.

e). Minimal Time Loss between Receipt and Fund Utilization:

The Financial Management System should have procedures to minimize the time elapsing between the receipt of funds by the organization and their subsequent disbursement.

f). Audits:

The Financial Management System should ensure timely conduct of audits and timely and appropriate resolution of audit findings and recommendations.

The Contractor shall review and report on the Ministry of Education (MOE)'s systems and policies and procedures as follows:

### **(1) Internal Control Structure**

The Financial Management System will include appropriate internal controls which ensure usefulness of financial data, accuracy and integrity.

The internal control system of the organization should have as its objectives:

- 1) to safeguard assets and resources of the organization,
- 2) to check the accuracy and reliability of accounting data and,
- 3) to promote operational efficiency and encourage adherence to prescribed managerial policies.

The Internal Control Structure must consist of the control environment, the accounting system and the control procedures.

#### **(a) Control Environment**

The Control Environment needs to cover, *inter alia*:

- 1) The management philosophy and operating style; the organization structure; the relationship, development and definition of the departmental units of the organization,
- 2) whether the methods of assigning authority and responsibility are clearly defined and whether the supervisory and decision-making responsibilities and corresponding authority within management levels are developed and clearly assigned,
- 3) whether staff functions and responsibilities are clearly delineated and divided,
- 4) whether the organization uses operating budgets and cash projections and whether the budgets and projections lend themselves to effective comparison with actual results and review and explanation of material variances.
- 5) whether there is adequate control including a reporting schedule and assigned responsibility for preparation of required financial statements and other reports
- 6) and whether there is a suitable records retention plan.

#### **(b) Accounting System**

The accounting system must consist of the methods and records established to identify, assemble, analyze, classify, record and report on transactions and to maintain accountability for related assets and liabilities and should cover, *inter alia*:

- 1) Is a complete and current chart of accounts in use ? Is an Accounting Manual in use?
- 2) Is a double entry bookkeeping system in use which includes a general ledger, source journals, and suitable subsidiary records. Are the source journals posted promptly and the general ledger and subsidiary ledgers kept current and balanced monthly?
- 3) Types of disbursements, documents or records used to evidence disbursements
- 4) Are the pre-numbered checks properly accounted for; are all unused checks safeguarded; are all voided checks retained and mutilated; do all checks bear the mandatory signatures? Does the organization keep separate bank accounts for different sources of funding?
- 5) Are bank reconciliation statements prepared Monthly for all accounts? Are the bank reconciliations prepared by someone other than the cashier or persons involved in signing checks, processing invoices, or performing other general ledger functions? Are bank

statements, related paid checks, debit and credit memos received directly from the bank by the employee(s) performing the reconciliations?

6) Does the bank reconciliation procedure include:

- a. Reconciliation of the balance per bank to balance per general ledger control account and subsidiary detail records?
- b. Comparison in detail of deposits per bank statement with the deposit per cash receipts detail records?
- c. Comparisons in detail of disbursements per bank with the cash disbursement journal (check register) as to date drawn, payee, and amount?
- d. Follow up of reconciling items and initiation of entries to record such transactions as checks returned for insufficient funds, and bank charges?
- e. Are bank reconciliations reviewed and adjustments of the cash accounts approved?

7) Are all disbursements from petty cash funds supported by approved vouchers that are prepared in ink and cancelled to prevent reuse? Is there a predetermined maximum limit on the amounts of individual petty cash disbursements?

### (c) Control Procedures

Internal control policies and procedures should be properly documented, established and complied with. Written procedures should cover the following basic areas, inter alia:

- 1) appropriate segregation of duties and authorizations, custodianship and recording,
- 2) adequate documentation and recording system,
- 3) proper authorizations of transactions and activities,
- 4) adequate safeguards over access to and use of Assets and records,
- 5) and management supervision and independent checks on performance and proper valuation of recorded amounts

## **(2) Accounting, Record-Keeping, and Overall Financial Management System**

The organization's accounting system must be capable of identifying, accumulating, recording, and segregating costs, so that the use of funds may be identified, tracked, and properly accounted-for in accordance with generally accepted accounting principles and which are adequate for USAID purposes. This also applies to any cost-sharing/matching funds and any program income.

The organization's payroll system and procedures should at a minimum address the following:

1. Are individual personnel files maintained with original records of employment, rates and authorized deductions for each employee.
2. Are Daily Time Records checked and approved by a responsible official and wages and salaries and overtime approved by management?
3. Are proper authorizations obtained for all payroll deductions? Is the clerical accuracy of the payroll checked.
4. Does a responsible official review and compare payroll data against the personnel records on a regular basis? If employees are paid in cash, does a designee compare the cash requisition to the net payroll?
5. Is there any control over unclaimed pay packets e.g. are all unclaimed wages within a period deposited back into the bank?

### **(3) Personnel Policies and Procedures**

An organization's personnel policies and procedures must, at a minimum, establish compensation policies for each position category, including salary, leave, and other benefits/entitlements that are uniformly followed for all of its employees regardless of the funding source. The personnel policies and procedures must, at a minimum, address the following:

- (a) Recruitment
  - Salary determinations and ranges (method used for determining a new employee's salary).
  - Working hours (number of hours in work-day and work-week).
  - Overtime compensation.
  - Nondiscrimination.
  - Method(s) of recruitment.
- (b) Classification
  - Permanent (full-time and part-time).
  - Part-time.
  - Adequate job description for all employees.
  - Salary ranges/grades for all classifications of employees.
- (c) Promotions/Salary Increases
  - Basis for promotion/employee evaluations.
  - Merit Increases/range(s).
  - Cost-of-living increases.
  - Bonuses/Incentives.
  - Termination of employment
- (d) Fringe Benefits
  - Medical insurance.
  - Life insurance.
  - Long-term disability.
  - Retirement.
  - Workers' compensation.
  - Other benefits.
- (e) Leave Policies
  - Clarify types of leave. Annual/vacation leave (including number of days per year which may be accrued and carry-overs).
  - Sick leave (number of days per year, and carryovers).
  - Holidays (number of days per year).
- (f) Salary Supplements/Allowances (If Applicable)
  - Education allowance/travel.
  - Other.

### **(4) Travel Policies**

An organization's travel policies must, at a minimum, establish procedures for how travel costs are determined/reimbursed (*e.g.*, per diem, actual subsistence expenses, etc.), establish internal approval requirements, cover both domestic and international travel by employees

regardless of funding source, specify which class of air travel is allowable in particular circumstances and provide for any required travel approvals/notifications required.

The travel policies must, at a minimum, address the following (as applicable):

- (a) Domestic Travel
  - Approval levels
  - Class of Travel
  - Per diem rates (rates used, what they cover[meals, lodging etc]
  - Other reimbursable expenses ( taxis, mileage rates for travel by privately-owned vehicles
  - Waiver/exceptions.
- (b) International by Employees
  - Approval level(s) required approval/notification
  - Class of travel
  - Most direct and expeditious route.
  - Enroute stop over policy.
  - Mileage rates for travel by privately-owned vehicle.
  - Per diem rates (rates used, what they cover [meals, lodging, etc.]
  - Accompanied/unaccompanied baggage shipping allowance (gross weights, mode of transport [air, surface],
  - Shipment of privately-owned vehicle.
  - Educational travel.
  - Other reimbursable expenses.
  - Waivers/exceptions, advances and reconciliation procedures

(5) Procurement Policies and Procedures

An organization's procurement/purchasing policies, procedures and systems must, at a minimum, include standards of conduct governing the employees engaged in the award and administration of contracts and assistance instruments, provide that all procurements shall be conducted in a manner to provide open and free competition to the maximum practical extent and have sole-source procurements approved at an appropriate level in the organizational structure, provide for some form of cost or price analysis being documented and provide for appropriate records.

The organization shall maintain a written code or standards of conduct that shall govern the performance of its employees engaged in the awarding and administration of contracts. No employee, officer, or agent shall participate in the selection, award, or administration of a contract supported by Federal funds if a real or apparent conflict of interest would be involved. Such conflict would arise when the employee, officer or agent, or any member of the employee's immediate family, the employee's partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. The officers, employees, and agents of the recipient shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subagreements

(6) Property Management Standards and System



An organization's property management standards and system must cover, at a minimum, the types of documents or records kept to control inventory items and the existence of written inventory procedures which adequately address the following:

- a) Location and orderly physical arrangement of inventories,
- b) existence of reasonable safeguards against theft and pilferage, periodic physical inspections made of property, plant and equipment and existence of inventory maintenance contracts,
- c) existence of inventory movement and disposal procedures.

Are policies and procedures contained in manuals, or indicated in the appointment letter. USAID would prefer that an organization has centrally kept policy documents that are implemented and appointment letters include benefits from policy manuals or make references to policy manuals.

The systems and procedures must be written and in use. The contractor shall establish that the organization is registered and has a certificate of incorporation as per the laws of Zambia.

## E. REPORTS

The Contractor shall provide the USAID/Zambia Controller with an electronic copy and five (5) hard copies of the assessment report in English. The address of USAID/Zambia is:

USAID/Zambia  
351 Independence Avenue  
Lusaka, Zambia

Attn: Amy Fawcett, Controller

The report shall provide its findings and conclusions/recommendations on all of the foregoing. If the systems identified above are not in place, or are weak or inadequate, the report shall describe what improvements can be made. The report shall also describe the organization's legal status and the names of board members and key personnel.

The report shall:

Contain a title page, table of contents and a summary which includes: (1) a background section with a general description of the prospective recipient and a clear identification of all entities mentioned in the report; (2) the objectives and scope of the pre-award assessment and a clear explanation of the procedures performed and the scope limitations, if any; (3) a brief summary of the pre-award assessment results and compliance with applicable laws and regulations and status of prior financial assessment recommendations, if any (4) and a brief summary of the prospective recipient's management comments regarding their views on the pre-award assessment results and findings.

The findings contained in the assessment reports should include a description of the condition (what is) and criteria (what should be). Also, the cause (why it happened) and effect (what harm was caused by not complying with the criteria) should be included in the findings/observations if they can be easily determined. In addition, the findings/observations should contain a recommendation that corrects the cause and the condition, as applicable. The Contractor should identify the condition, criteria and possible asserted effect to provide sufficient information to management to permit them to determine the effect and cause in order to take timely and proper corrective action.

The report should also contain, after each recommendation, pertinent views of responsible officials of the prospective recipient concerning the Contractor's findings/observations and actions taken to implement the recommendations. The prospective recipient's views should be obtained in writing.

#### F. RELATIONSHIPS AND RESPONSIBILITIES

The client for this contract is USAID/Zambia. The USAID mission will provide technical advice to the Contractor concerning the planning and performance of this pre-award assessment. The liaison officer for the USAID mission is Ms. Amy Fawcett.

The USAID mission will provide written comments on the draft pre-award assessment report concerning the facts and conclusions contained in the report in order to obtain the best possible end product. The USAID mission will attend the entrance and exit conferences.

The Contractor should hold entrance and exit conferences with the organization. The USAID mission should be notified of these conferences for USAID Mission representatives to attend.

#### G. TERMS OF PERFORMANCE

**The effective date of this contract and statement of work will be the date of the USAID/Zambia Contracting Officer's signature.**

It is the responsibility of the Ministry of Education to ensure that all records and documents are available, and that all other necessary steps are taken to make it possible for the Contractor to perform the assessment.

The assessment shall begin as soon as practicable after the signing of the contract. The Contractor shall issue a draft report within 45 days of signing the contract and a final report within 15 days after receipt of written comments on the draft. The USAID mission and the Ministry of Education will provide written comments within 30 days of receipt of the draft report.

Payment will be as follows: 20 percent on the date of this contract, 50 percent on the date of the draft report and 30 percent on the date of the final pre-award assessment report. Payment is contingent upon the approval by Controller/USAID of the draft and final pre-award assessment reports.

Payment will be made within 30 days upon acceptance of the assessment reports. The payment date is the date placed on the United States Treasury check at the time of issuance by the disbursing office, or wire transfer made - not the date of actual receipt of the check in the mail.

## **ANNEX E**

### **Disbursement Procedures**

#### **Attachment I**

#### **Disbursement Procedure Under The New SPA Mechanism**

		Within (days)
1.	Preliminary Actions:	
	a. Ministry of Finance and National Planning (MOFNP) requests Bank Of Zambia (BOZ) to open Separate US Dollar Account (SDA) for disbursement of SPA US dollars and Separate Local Currency Account (SLCA) for receipt of generated Kwacha	
	b. BOZ opens SD and SLC accounts	1-2
	c. MFNP invokes standing order instructing BOZ to: i. Immediately upon auction, credit all Kwacha realized from the auction of SPA funds into SLCA ii. Upon crediting the SLCA with the Kwacha, immediately transfer the funds from the SLCA to the CBOH District Basket Account (CBOH to provide details of Basket Account) and USAID/Zambia Trust Fund Account (USAID/Zambia to provide details of account)	
2.	Mechanism Implementation Team members from each organization identified <sup>17</sup>	
3.	SPA Milestone(s) met	N/A
4.	USAID/Zambia advises Washington by cable, requesting disbursement of US dollars	1-5
5.	Washington transfers corresponding Milestone Dollars to SDA and advises USAID/Zambia accordingly	1
6.	USAID/Zambia notifies MOFNP of transfer	1
7.	MOFNP requests BOZ to auction dollars to commercial banks	1-3
8.	BOZ auctions dollars to commercial banks	5
9.	The exchange rate is derived from the auction	Day of auction
10.	BOZ credits generated Kwacha to Separate Local Currency Account	1
11.	BOZ transfers Kwacha from SLCA to CBOH District Basket Account and USAID/Zambia Trust Fund Account	1-2
12.	CBOH transfers Kwacha to District Boards as part of the Basket Funding for Primary Health Care.	Ongoing

#### Notes:

- BOZ would advertise, auction and document US dollars from USAID/Zambia separate from funds from other sources as standard procedure.
- MOFNP would get documentation on the auction from BOZ as soon as the auction transaction is effected.
- MOFNP would then immediately make available to USAID/Zambia details of the auction, including but not limited to, the date of the auction, the total amount of US dollars auctioned, the exchange rate at which the US dollars were auctioned, and the total amount of Kwacha realized from the auction. Copies of the transaction would simultaneously be made available to MOH and CBOH.
- Any interest accruing on the SDA will be transferred to the U.S. Treasury and any interest accruing on the SLCA will be transferred to the USAID/Zambia Trust Fund.
- MOFNP would provide monthly bank statements for the SDA and SLCA to USAID/Zambia.
- Once the mechanism is set up, It would take 12-20 days to credit the District Basket Account from the date of approval of Milestone(s)

<sup>17</sup>Subject to change at the discretion of the respective organizations:

MOH - Principal Planner Bilateral & Multilateral Cooperation, CBOH - Senior Accountant, MOFNP - To be determined, BOZ - To be determined, USAID - Deputy Director PHN Office

## Attachment II

*(Received from BOZ on 27 June 2002)*



## GUIDELINES FOR MAJOR FOREIGN EXCHANGE SUPPLIERS

### 1.0 OVERVIEW

To address the issue of numerous foreign exchange allocation methods that have characterized the wholesale market since April last year, the Bank of Zambia has opted to introduce a transparent allocation mechanism. The mechanism involves making the **Bank of Zambia Dealing Window** available to major suppliers of foreign exchange to sell foreign exchange to the market on a daily basis. The Bank of Zambia will administer the operation and communicate the results to all the parties involved in the process.

### 2.0 OPERATING GUIDELINES

#### 2.1 Eligibility

Major suppliers of foreign exchange and registered commercial banks based in Zambia will be eligible to participate in the wholesale foreign exchange dealing operations.

Major suppliers of foreign exchange (**i.e. a supplier selling US\$ 100,000 or more per week**) will be required to transact through the Bank of Zambia Dealing Window.

Suppliers **selling less than US\$100,000 per week** can deal directly with their respective banker(s) without going through the Dealing Window.

## 2.2 Tender Process

### 2.2.1 Tender Invitation

- The major suppliers of foreign exchange will submit to Bank of Zambia on the specified form the amounts they intend to sell by 12:30 hours on the business day immediately preceding the tender day.
- Bank of Zambia will invite commercial banks to submit bids for foreign exchange (i.e. the volume and the price at which they wish to transact) by 9:30 on the tender day.
- Setting of a reserve price will not be allowed.

### 2.2.2 Tender Results

- Bank of Zambia will communicate the preliminary tender results to the suppliers by 11:30 hours on each trading day.
- Suppliers and Bank of Zambia will confirm the transaction by 14.30 hours on each trading day, i.e. the supplier will advise Bank of Zambia of the commercial bank account details to which the Kwacha proceeds will be credited. Similarly, the Bank of Zambia will advise the supplier of its foreign account details to which the foreign exchange should be credited.
- Bank of Zambia will in turn send confirmations to the respective buyers (commercial banks) by 15.30 hours.
- Final tender results shall be communicated to suppliers and buyers.

### 2.2.3 Allotment

- Foreign exchange will be allocated at the **marginal cut-off rate to all successful bidders** beginning with the first bidder on the list until the amount on auction is exhausted.
- If the total bid amount received is less than the amount being offered, the Bank of Zambia will purchase the shortfall at the same marginal cut-off rate.
- In the event two or more successful bidders bid at the same rate, the allocation of the remaining foreign exchange will be at the marginal cut-off rate on a pro-rata basis.
- In the event of an auction failure (e.g. no bids received), the Bank of Zambia can purchase the foreign exchange at its buying rate or alternatively the supplier can withdraw and come back the following day or at a later date.

#### **2.2.4 Settlement**

- The Bank of Zambia will close the transactions on behalf of the supplier and the bidders.
- To facilitate this process, the supplier will credit the foreign exchange to the specified Bank of Zambia foreign exchange account within 2 working days (i.e. spot transaction).
- The Bank of Zambia in turn will credit the Kwacha equivalent to the supplier's banker upon receipt of confirmation from its correspondent bank that the foreign exchange funds have been received (delivery versus payment settlement method).
- The Bank of Zambia will then settle with the commercial banks both the foreign exchange and Kwacha transactions within 2 working days.

#### **2.3 Penalty Clause**

- Once offers by suppliers have been lodged with the Bank of Zambia, no supplier will be at liberty to withdraw, except in instances when there is an auction failure.
- Once bids by commercial banks have been lodged with the Bank of Zambia, no bidder will be at liberty to withdraw.
- Any commercial bank that fails to honor its obligation in terms of settlement will be excluded from participating in subsequent tenders.

**8) --END--**

## **ANNEX F**

### **Macroeconomic Review**

#### **ZAMBIA MACROECONOMIC REVIEW APPLIED TO EDUCATION SECTOR FINANCING**

USAID/Zambia: Program Office  
March 6, 2003

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"The authorities are to be commended for their continued commitment to sound macroeconomic policies and structural reforms, notwithstanding capacity constraints and an adverse external environment. Zambia's overall economic performance has strengthened since mid-2000 after two decades of high inflation and low economic growth, reflecting sharply improved fiscal and monetary policies and progress in structural reforms..." - *IMF November 27 2002 Review Under Zambia's PRGF Arrangement.*

#### **I. Macroeconomic Framework**

Following its return to a multi-party system of government in 1991, Zambia has been aggressively implementing open market reforms through liberalization and privatization. Economic growth is private sector-driven, with more than 90% of enterprises being privately owned and controlled, including Zambia's dominant copper mines. There are no price controls. Subsidies to parastatals and agriculture have been substantially eliminated. Zambia is a member of both the Common Market for Eastern and Southern Africa (COMESA) and Southern Africa Development Community (SADC) Free Trade Areas and exhibits amongst the most open trade policy regimes in Southern Africa. Zambia has the Poverty Reduction Growth Facility program in place with the International Monetary Fund (IMF) and is on course to reach Completion Point of the Initiative for Highly Indebted Poor Countries (HIPC) in 2003.

#### **II. Macroeconomic Performance**

Although much remains to be done, Zambia has made considerable macroeconomic progress in recent years (see Table 1). Zambia has registered four consecutive years of positive Gross Domestic product (GDP) growth since 1999. From a negative growth rate of -2% in 1998, GDP has averaged 3.9% over the past three years, exceeding the population growth rate of 2.9%. Though still high, inflation levels have generally fallen from 30.6% in 1998 to an average of 25.2% over the past three years. The inflation trends have been fueled by unfavorable fiscal policy results with the fiscal deficit increasing substantially from 0.1% of GDP in 1998 to an average of 3.0% over the past three years.

Inflation patterns and low commercial bank savings interest rates have impacted negatively on savings with domestic savings remaining low, averaging 5.4% of GDP over the past three years. Commercial bank lending interest rates are high, averaging 43% over the past three years. In view of the high lending rates, investments have increased only marginally from 18% of GDP in 1998 to an average of 19.4% over the past three years. Government revenue collection has performed well as a percentage of GDP, increasing from 19.0% in 1998 to an average of 21.1% over the past three years.

In the external sector, exchange rate depreciation has occurred in response to movements in inflationary trends as well as movements in the availability of foreign exchange. Although sometimes steep, the market-driven movements in the exchange rate have generally been gradual, with low volatility. Overall these shifts have helped keep the currency fairly competitive in international trade.



Table1: Zambia –Macroeconomic Performance 1998-2002

Key Indicators	1998	1999	2000	2001	2002	Average 2000-2002
Real GDP Growth Rate	-1.9	2.2	3.5	5.2	3.0	3.9
Inflation Rate	30.6	20.6	30.1	18.7	26.7	25.2
Interest Rates (Commercial Lending mid-year base rate)	29	41	39	45	45.4	43.1
Exchange Rate**, 2002 MOFNP	1,862	2,388	3,111	3,611	4,360.1	3,694
Fiscal Surplus/deficit (% of GDP)	0.1	0.5	-3.4	-2.4	-3.3	-3.0
GRZ Domestic Revenue (% GDP)	19	18	22	23	18	21.1
Domestic Investment (% GDP)**	16	18	19	20	N/a	19.5
Domestic Savings (% GDP)**	4.9	7.1	4.6	6.1	N/a	5.4
Current Account Balance (less net capital grants) (% of GDP)	-17.7	-15.5	-20	-20.6	-16.1	-18.9
Exports FOB (% of GDP)	25.2	24.1	23.0	24.4	24.8	24.1
External Debt (% of GDP)	214.0	207.8	194.9	195.7	174.6	188.4
External Debt Service (% of Exports)	18	17	14	22	15	16.9
External Assistance (% of GDP*)	10	10	8	11	15	11.2

Education Budget 48004 ref\*) .(1)-60-9.53.(8)-60-9.54.71.62

Due intensified imports following the privatization of the copper mines, the Current Account recorded an increased deficit from 17.7% of GDP 1998 to an average of 18.9% of GDP over the past three years. However, as shown in the table, exports recovered to 1998 levels of 25% of GDP in 2002, averaging 24.1% of GDP over the past three years,. Increasing investment in the privatized copper-mining sector and continuing growth of non-traditional exports indicate prospects for sustained growth of export earnings.

Zambia's external debt continued to be high over the past three years. At \$6.5 billion dollars in 2002, the debt stock represented 198.8% of GDP. This, however, represented a decline from levels exceeding 200% of GDP in 1998 and 1999. Similarly, external debt service has fallen from 18% of GDP in 1998 to 15% in 2002.the fall in the external debt stock and debt servicing as percentages of GDP, is significantly attributed to continued fulfillment of debt service obligations combined with benefits of HIPC debt relief.

### III. Macroeconomic Challenges

The macroeconomic challenges Zambia faces over the medium-term include:

- Sustaining positive GDP growth above the population growth rate
- Lowering inflation to single digits, and
- Improving the fiscal balance
- Improving the Balance of Payments (BOP) position

To meet these challenges, the Government of the Republic of Zambia (GRZ) has committed itself to achieving sustained gains in GDP growth coupled with implementation of appropriate fiscal and monetary policies and key structural reforms aimed at improving efficiency, raising productivity and output and attracting foreign direct investment. GRZ intends these macroeconomic strategies to be accompanied by increased investment in infrastructure and human development.

In the medium term GRZ projects the attainment of:

- Real GDP growth of at least 4 percent;
- Single-digit annual inflation rate, starting with a reduction to 17.9 percent in 2003
- Increased build up of gross international reserves, beginning with an equivalent to 1.9 months of imports in 2003
- Reducing the budget deficit to 1.5% of GDP

#### IV. Macroeconomic outlook

##### **ECONOMIC GROWTH**

The economic growth targets are likely to be achieved. In agriculture, relatively favorable rainfall patterns that have prevailed in the 2002/2003 season, the more timely delivery and distribution of agricultural inputs, and some rehabilitation and development of rural infrastructure will contribute positively to GDP growth. The positive trends in growth rates of mining, manufacturing, tourism and service sectors registered in recent years can be expected to continue.

##### **INFLATION**

A significant contributing factor to the escalation of inflation, from 18.6% in 2001 to 26.7% in 2002, was a sharp increase in maize prices due to shortfalls in supply induced by the drought that affected Southern Africa in the 2001/2002. Considering the better climatic prospects for Zambia in the 2002/2003 coupled with GRZ's intention to focus on reducing the budget deficit, it is feasible for GRZ to achieve the reduced inflation level to 17.6% in 2003. However, achieving single digit inflation in the medium will present a more formidable challenge. Working closely with the World Bank, GRZ is formulating and implementing Public Expenditure Management and Financial Accountability reforms that seek to rationalize and more efficiently allocate and utilize public expenditure. This strategy, which includes the implementation of a Medium Term Expenditure Framework (MTEF), a Financial Management Information System (whose phased implementation commenced in 2002), and improved monitoring and evaluation system for public expenditure will be useful in addressing budget over runs that lead to wide deficits.

GRZ's new administration (led by President Mwanawasa who was elected in December 2001) has set fighting corruption at the top of its governance agenda. The arrest and prosecution of high-profile suspected offenders, including the former president, whose presidential immunity was lifted by parliament at the request of President Mwanawasa is unprecedented in the British Commonwealth, elevating Zambia to summit of public accountability and transparency efforts. It is plausible to conclude that the anti-corruption measures will significantly contribute to improved public expenditure management and financial accountability that will help address run-away budget deficits.

##### **BALANCE OF PAYMENTS POSITION**

Projections for increased copper production in Zambia are good following the privatization of the copper mines in 2000. Significant new investment is anticipated in 2003. To this end for example, and despite a slump in copper prices in 2003, export earnings increased due to increased output. Copper sector export earnings are projected to continue growing. Earnings from non-traditional exports also recovered, to levels exceeding \$325 million in 2002 compared to \$294 million in 2001. In spite of the drought, agricultural commodities, such as cotton and tobacco, contributed strongly to this growth. Earnings from non-traditional exports are also projected to continue growing in the medium term.

Zambia is on course in making progress in meeting conditions to reach the Completion Point under HIPC in 2003, after which maximum debt relief will be received with most bi-lateral creditors writing-off Zambia's debt completely. This is expected to reduce debt service to levels below 100 million a year compared to levels exceeding \$400 million had

HIPC not been in place. In addition to HIPC debt relief, Zambia expects to receive additional debt relief from Paris Club countries following the signing of Eighth Agreed Minute in 2002. This will reduce the debt stock further.

With the projected increase in export earnings and reduced debt servicing, Zambia's BOP position is expected to improve significantly, leading to a reduction in dependency on external financing of development programs. Regarding donor dependency, total external assistance to Zambia represented 10% of GDP in 1998 and averaged 11.2% over the last three years, with a sharp increase to 15% in 2002. The increase in external support may reflect increasing donor dependency on one hand, but may, perhaps more significantly, reflect donor appreciation for the new administration's anti-corruption drive. Under these conditions, targets for increasing international reserves are also more likely to be met.

#### **REVENUE**

GRZ has surpassed its annual domestic revenue collection targets consistently since the establishment of the Zambia Revenue Authority in 1994. It can be observed, for example, that domestic revenue has increased, as a percentage of GDP from 19% in 1998 to an average of 21.1% over the period 2000-2002. The positive outlook for economic growth in the medium term, outlined earlier speaks to good prospects for increased domestic revenue collection through increased tax returns on goods, services and trade.

#### **V. Education Sector Financing**

The Zambian Government has demonstrated increased commitment to financing the education sector. Budget allocations to the education sector have increased from 3.2% of GDP in 1998 to 3.8%, 4.7% and 5.2% of GDP in 2000, 2001 and 2002 respectively. In line with this commitment, GRZ has fulfilled HIPC conditionality to raise to at least 20.5% (from 18.5% in 1999) its annual discretionary expenditure being spent on the education sector. Further, within the framework of conditionality in a Memorandum of Understanding (June 2002) for support from the European Commission, GRZ has committed itself to maintaining levels of financing, in the medium term, consistent with 36.8% of GRZ discretionary expenditure being allocated to the social sectors.

These commitments and improved financing in recent years, coupled with prospects for increased GRZ domestic revenues in the medium term, brighten the outlook for sustaining education sector financing.

## **SUMMARIES OF MANDATORY ANALYSES AND OTHER ASSESSMENTS**

Annexes J – Q have been prepared by USAID/Zambia based on reports by consultants and other independent experts.



## **ANNEX J: THE DEVELOPMENT CONTEXT OF ZAMBIA: AN UPDATE AND ANALYSIS, WITH LESSONS LEARNED AND RECOMMENDATIONS FOR USAID'S NEXT STRATEGY PLAN**

### **Summary**

#### **1.0 Introduction**

##### **1.1 Purpose of the Contextual Study**

The Contextual Study is a portrait of Zambia's development context in mid-2002. In addition to analyzing that context and bringing it up to date, the paper considers lessons learned by USAID/Zambia and other development partners during the present Country Strategy Plan period (1998-2003), while making recommendations for a new Country Strategy Plan due to take effect October 1, 2003.

##### **1.2 Methodology**

The consulting team organized its work according to three grand themes that dominate the Zambian scene today: governance, poor food security, and HIV/AIDS. It found that in every setting the overriding effect of governance, good or bad, was inescapable. The lack of food security, illustrated by widespread hunger, the emblem of economic failure in a potentially rich land, is a theme under which the revival of the economy, especially agriculture, must be placed first if poverty is to be alleviated. HIV/AIDS, the great plague of our times, serves as the fitting symbol of the basic social services the Zambian people need, services that will enable them to avoid AIDS and other deadly diseases as well as to acquire the basic education by which they can improve their standard of living.

#### **2.0 Findings**

From this consideration of current development status the report concludes that three significant broad categories of challenge emerge, linked to the great themes of HIV/AIDS, governance and food security.

More specifically, Zambia is massively challenged to meet the basic health and education needs of its people. HIV/AIDS serves as the most dramatic symbol of this challenge, which could be stated as the provision of those basic social services that are indispensable to lifting the ordinary family from a condition of sheer survival to a state of being able to improve its own life. Some principal features of this people challenge in health are the information and services that help one avoid deadly diseases such as HIV/AIDS and malaria, improve child survival and reproductive and maternal health, and increase access to clean drinking water. In education they are universal access to basic schooling, improved access to skills training and wide access to adult education. These are prerequisites to poverty alleviation.

Within governance are grouped the fundamental standards of public life, notably accountability and financial probity in public office and a civil service reform that builds capacity while increasing efficiency and reducing costs, leading to a sharp decrease in corruption across the board. Establishment and vigilant enforcement of these standards must be accompanied by effective delivery of public services, certainly those enumerated above under health and education but also ones of economic importance such as providing or facilitating access to fuel, power, raw materials, and communications at reasonable cost, a greater outreach and efficiency of communication services including transport, and the creation and maintenance of good access to and a level playing field for domestic, regional and international markets. Meeting the governance challenge in this manner will encourage the private sector to flourish, create jobs and raise incomes to help alleviate poverty.

Meeting the challenge associated with food security notably means reviving the economy, and that particularly means reviving agriculture (and related value-added industry): agriculture so that

people have enough to eat to stave off hunger, and agriculture so that people can earn enough cash income to raise their standard of living. This is how poverty can be alleviated. Such a complex matter in its broad context will be treated here by suggesting some important examples of change that must occur. It is essential to do the following:

- Raise awareness that responding to market demand rather than production preferences is of paramount importance
- Increase the number of market places and amount of market activity in rural and peri-urban areas
- Improve knowledge of regional and international market demand and prices
- Link up agribusinesses with the small-scale farming community
- Encourage increased participation in the sector by well informed and capable Zambians
- Plan to mitigate the multi-faceted impacts of HIV/AIDS on producers and sectors
- Develop a safety net to provide access to nutritional food for the chronically ill, including people living with HIV/AIDS (PLWHA)
- Take advantage of export opportunities including entry into the European organic market and the U. S. market through AGOA
- Improve access to investment finance
- Improve animal health
- Improve agricultural practices and higher yields in the smallholder sector
- Extend basic skills in crop husbandry and expand use of appropriate technology in tillage and irrigation, including conservation farming. Increase access to appropriate technology equipment (especially hand and draft animal tools) for labor saving and added value
- Encourage expanded production of drought tolerant crops in the Southern and Western Provinces and establishes a food reserve under competent and well funded management
- Facilitate access to land with services for smallholders and for resettlement of urbanized farmers with potential to produce
- Increase access to seasonal credit and medium and long- term loans at interest rates that leave scope for viability

As a corollary, joining tourism promotion to the preservation, regeneration and enrichment of the natural resource base can contribute to rebuilding the economy. This will add jobs and raise income while stimulating positive participation and reward sharing by local people through community-based natural resources management (CBNRM).

The Mission has derived major lessons from its own experience and those of a variety of public and private partners. The consulting team found on balance that USAID/Zambia's present program is interesting and effective. It offers an excellent platform from which to launch a new Country Strategy Plan.



### 3.0 Recommendations

For the new plan period, the paper offers several broad development hypotheses:

One is that the practice of good governance principles is essential to development progress and a donor can help to encourage better governance in Zambia through its program. The fact is that throughout its work across various strategic objectives USAID/Zambia employs sound principles of governance as it engages partners and stakeholders from the rural and urban communities it is aiming to benefit right up to government ministers. Not only is this approach important, it puts on display numerous practical examples of good governance that may influence others. We urge that the broad governance approach be recognized and given intellectual prominence for the importance it represents in every Mission endeavor, for it is an essential element of USAID/Zambia's effort to deal with one of the country's overriding development themes. Certainly this is not enough by itself: stressing governance in more than one way, at more than one level, is vital to helping Zambia meet its development challenge to achieve clean, effective government. Another avenue is the specific Democracy-Governance program activities undertaken within the SO 4 portfolio.

Those recent activities have emphasized the mobilizing of civil society to achieve governance ends. As that important effort continues, the Mission should also seek ways to engage Zambia's new government on the grand tasks of institutional change, for instance constitutional reform. We believe further that neither the effect nor the importance of Democracy-Governance work should be measured and assessed by its cost, which is likely to remain low relative to that for other SOs.

Evidence exists of widespread, chronic hunger and malnutrition among many Zambians -- of an order and frequency that causes poverty as well as exemplifying it. The hypothesis here is that economic growth will bring about improved food security and a reduction of poverty. Economic growth means reviving Zambia's agriculture and related industry through effectively applying the enterprise of the people to available resources so as to efficiently meet the demands of accessible domestic and export markets with competitive production. The new focus of USAID's anti-hunger and anti-poverty interventions, therefore, should be to kindle the flame of efficient commercial enterprise in market-oriented production. In agriculture this implies promoting increased and sustainable yields of commodities tailored to market demand, at competitive prices, with value added at source. In small-scale industry and natural resources it implies stimulating entrepreneurial enterprise in detecting opportunities to efficiently provide goods and services to meet demand by sustainable application of available resources. And nationally it implies creating a favorable socio-political context for fluid conduct of commercial activity in a system where accountability and probity are securely enshrined by effective implementation of legal provisions.

All of Zambia's development undertakings risk being swept away by HIV/AIDS. It is our third hypothesis that only a concerted, intense, far-reaching mass effort can turn the tide against the virus and save coming generations. It is imperative -- indeed, it is obvious -- that all development partners must accelerate their cooperation with the people and government of Zambia to reduce HIV/AIDS prevalence and to mitigate the emerging impacts of HIV/AIDS. Prevalence reduction can be done: Uganda has shown the way. Early signs are appearing of what may be the first evidence of rate reductions in Zambia. HIV/AIDS mitigation must be done: we find further that a multi-sector, multi-level approach (MSA) to the epidemic offers the best prospect of making rapid, concrete progress and so urge USAID/Zambia to strengthen, upgrade and accelerate its multi-level MSA against HIV/AIDS in the coming strategy plan, along the lines suggested in this document.

Beyond HIV/AIDS, other health investments must continue. Malaria control, reproductive health and basic immunization services are key, as well as capacity building within the health care system, particularly to support rural points of access. Health maintenance is also closely connected to food security and nutrition. Specifically, to maintain the health of PLWHA and their

children may require developing a food assistance mechanism through combined SO#3 - SO#1 collaboration.

Strong basic service delivery is also imperative in basic education. There the Mission is playing a key role at improving the quality of this indispensable development service while also demonstrating the essential role of basic education in communicating to teachers, staff and students alike the message of self-protection against HIV/AIDS. Basic education and health investments together are essential for helping lift people to the stage of being able to improve the quality of their own lives.

Our fourth hypothesis is that USAID/Zambia has the opportunity to enhance its development results – to increase food security, expand agriculture and economic activities, combat HIV/AIDS and improve governance – through a strategic focus on gender mainstreaming. Each of the areas highlighted by this team involves different roles for, and impacts on, women and men. Such a focus poses challenges on several levels. (1) to use the process of developing the Country Strategy Plan to identify gender-based obstacles and opportunities, (2) to develop programs that address them, (3) to help the GRZ and organizational partners improve their capacity to understand gender issues and deal with them effectively, and (4) to establish internal systems by which to monitor gender-related impacts.

Finally, the contextual study offers a number of proposals for the kinds of interventions and strategic options that USAID/Zambia may wish to consider as it prepares its new country strategy plan. These represent our considered views on the most effective approaches to helping Zambia cope with the sweeping national demands placed on it by HIV/AIDS, food security and governance.

## **ANNEX K: ASSESSMENT OF ZAMBIA'S PRIVATE SECTOR, AGRICULTURE & NATURAL RESOURCES SECTORS**

### **Summary**

#### **1.0 Introduction**

The Zambian economy needs to grow at an annual rate of 6 to 8 percent if the country is to achieve its long-term goal of reducing poverty by half by the year 2015. This represents a significant challenge. The U.S. Agency for International Development (USAID) has financed a small, but effective economic growth program over the course of its current strategic plan (1998-2003). The program has focused on delivering support to increase agricultural and natural resource production, improve marketing and market linkages, and foster private sector development and capacity building for policy formulation for both the public and private sector. As the current strategic planning period draws to a close, the Mission has begun to review its efforts and launched a process that will result in a revised plan for the five-year period beginning October 2003. This assessment is part of that planning process.

#### **1.1 Purpose of the Assessment**

The overall objective of this assessment is to provide the SO1 Team with the information it requires to contribute effectively to the design of a concept paper for USAID's next CSP. The Statement of Work for this assessment sets forth three primary objectives. It attempts to:

- (i) Define challenges confronting Zambia's economic growth. It identifies the factors constraining growth of the private sector and agriculture and natural resources sectors and examines their root causes.
- (ii) Identify opportunities and recommend specific economic growth activities the SO1 should consider, in the context of the current and planned activities of other donors.
- (iii) Recommend future strategic options, mechanisms to facilitate and accelerate sustainable economic growth in Zambia and develop a results framework in the context of earmarks and resource constraints.

#### **1.2 Methodology**

Two principle sources of information provide the basis for this report. The assessment team reviewed and analyzed a substantial volume of documentation. (See Annex B, Selected Documents Reviewed). The SO1 Team was a major contributor to the team's library. In addition it received additional documents, including studies, project descriptions and interim reports, and evaluations from other sources. Key informant interviews provided the team's second major source of data and information. The team members used a structured interview approach to guide their interactions with key informants in the GRZ, donor agencies and international executing agencies, the private sector, current SO1 contractors and grantees, and local and international non-governmental organizations (NGOs). (Annex C provides a list of individuals and organizations contacted in the course of this assessment.)

#### **Private Sector**

To date, USAID's support for the private sector has focused on improving the enabling environment. Zambia is fortunate to have a number of institutions that help promote dialogue between private sector actors, the GRZ, and the donor community. There appears to be a high degree of openness and dialogue between donors and the private sector in Zambia. USAID-funded activities in this arena, notably the Zambia Trade and Investment Enhancement project (ZAMTIE), deserve much credit for being responsive to requests for assistance. However, there is a risk that a completely demand-driven approach will spread the limited resources USAID has to invest in economic growth too thin. The assessment team concludes that the portfolio needs to have a tighter commodity and/or industry focus to have more impact. Among the priority areas

for policy analysis across commodity sectors or industries are the cotton and maize sub-sectors and the financial industry.

Here the financial sector deserves special attention. Many observers decry the inability of much of the private sector to access capital to expand operations as the most significant constraint on private sector growth. Through its support of Credit Management Services, USAID/Zambia is engaged in micro-finance. Although the program is worthwhile in that it addresses critical needs, USAID might better focus its limited resources for greater impact. The financial sector is populated with a diverse set of institutions, but there is little understanding of how they relate to one another. The assessment team recommends that before broadening its support within the micro-enterprise segment alone, USAID/Zambia should review the overall structure, conduct and performance of the entire financial sector. This would provide the foundation upon which to develop a longer-term financial sector development strategy.

In addition to policy analysis and reform, USAID should maintain and broaden its support for value-added agribusiness. The food, beverage and tobacco sub-sector accounts for approximately 60 percent of the country's manufacturing output. Future programs should work to help the industry diversify its product base while expanding its markets geographically.

The potential for the gemstone sub-sector of the mining industry presents a target of opportunity. However, the assessment team recommends that USAID develop any activities here in collaboration with other donors looking at the opportunities here.

#### Agriculture

With the long-term decline in the traditional copper mining sector, most observers of Zambia's development prospects recognize that agriculture must serve as the engine of the country's long-term economic growth. This makes strategic sense. Zambia uses only fourteen percent of its potentially arable land; so there is significant area in which to expand production. In addition, it has abundant water resources, and water may be the key constraint to agriculture globally in the 21<sup>st</sup> century.

Based on its findings and analysis, the assessment team recommends that USAID build upon its successful portfolio of activities in agriculture and concentrate its future resources on a few key tactics. The first priority should be to accelerate the rate at which capable farm families adapt conservation farming (CF) and conservation tillage (CT). Current estimates are that between 40 and 60,000 smallholder households practice these techniques and as a result realize significantly better yields. USAID should work closely with the other donors and the Conservation Farming Unit (CFU) of the Zambia National Farmers Union (ZNFU) to extend the CF and CT to 250,000 households, which knowledgeable sources estimate is the "saturation" point for adaptation.

Dairy industry development should be another high priority. Increased dairy production can

resources available to it to undertake a full analysis of cassava's potential to contribute to the accelerated growth of the agricultural sector.

The assessment team also recommends that USAID continue to support successful programs in horticulture, floriculture, and natural and organic crops, although there are some questions about the long-term growth potential of these sub-sectors. It is important not to overlook the traditional crops, which offer much greater potential for benefiting large numbers of producers.

#### Natural Resources

Zambia's wildlife and forestry assets, in particular, have the potential to generate income for vulnerable rural populations. But as is the case with any asset, Zambia needs coherently thought out and well-executed management plans for these assets to assure that they can generate income on a sustainable basis. If the status quo continues, there is significant risk that these assets will be depleted.

Based on the analysis of different approaches donor-funded programs take to support natural resources management in Zambia, the assessment team concludes that USAID has a vital role within the sector. It recommends that USAID support community-based natural resources management (CBNRM) programs to bring game management areas under close local control and supervision, and that it favor models that include sustainable agriculture component.

Geographically, the Kafue Flats and Bangweulu Swamps are two specific locations that should receive significant attention for natural resources development activities in the future. These are wetland areas and offer significant potential for income generating activities based on tourism and wildlife development.

Finally, the analysis identified serious institutional problems with the Zambia Wildlife Authority (ZAWA), which is a key institutional player in the sector. The assessment team believes that ZAWA requires and deserves donor assistance if it is to play its pivotal and legislatively mandated role.

#### Cross-cutting Themes

As noted earlier, Zambia faces significant development challenges that cut across the entire economic spectrum, if not the entire society. The high prevalence of HIV/AIDS has important implications for economic growth. It will be important that donors, including USAID, help their private sector stakeholders implement the SADC Model Code of Practice for addressing HIV/AIDS in the workplace. Care must also be given to accurately assess and account for the impact of the disease in designing interventions in rural areas.

Food security is another cross-cutting theme in Zambia. The high levels of poverty found in both rural and urban settings can be taken as a proxy for food insecurity. The primary focus of the new economic growth SO in this regard should be to increase the availability of food supplies. The assessment team believes that putting a high priority on efforts to get vulnerable smallholder households to adapt CF and CT techniques, which result in well-documented increases in yields, is an effective step in this process.

## **ANNEX L: REVIEW AND ANALYSIS OF ZAMBIA'S EDUCATION SECTOR**

### **Summary**

#### **1.0 Introduction**

##### **1.1 Purpose of the Assessment**

The ultimate purpose of this education sector review and analysis was to recommend strategic options to consider during the design of USAID/Zambia's support for Education in USAID/Zambia's FY2004-2010 Country Strategic Plan. The study also included making recommendations of alternative results frameworks and potential activities to be supported from fiscal year 2004 and beyond. In addition, the study included an Education Non-Project Assistance (NPA) Feasibility component to examine the appropriateness of including NPA as a funding mechanism for providing support to the MOE in the future.

##### **1.2 Methodology**

The review and analysis involved desk review of relevant documentation; solicitation of the views of stakeholders and beneficiaries; and identification of lessons learnt to consider during the design of USAID/Zambia's FY 2004 – 2010 CSP. The study resulted in the identification and analysis of the successes, challenges and problems facing the basic education sub-sector in Zambia.

#### **2.0 Findings**

Following an extensive review of relevant literature, meetings and interviews with stakeholders and educators, a field visit to the Southern Province, and an extensive analysis of available sector data, the team identified an important number of findings. These findings have been described in considerable detail in the body of the report. The MOE Strategic Plan 2003-2007 and the whole of these findings informed the development of the team's Recommendations. A summary of these findings is herein presented in the context of various sector issues.

- a) School Health and Nutrition (SHN) – A review of the programme identified the following constraints: a) the training of administrators b) the procurement of materials c) implementation of the monitoring/evaluation of the programme at the school level d) the pressure to expand prematurely the pilot project;
- b) Interactive Radio Instruction (IRI) – Despite being seemingly over-ambitious, the pilot project has been successful. However, these weaknesses have been identified at the MOE level: a) a lack of monitoring/evaluation b) a lack of support for materials c) the remuneration for volunteer staff d) a lack of support for community radio stations;
- c) Community Sensitization and Mobilization Campaign (CSMC) – There is a weak linkage concerning the respective roles and responsibilities of the LINE Ministries (MOE/MOH/MCDSS), the community, and the school. This is particularly evident in the function of monitoring and evaluation. The development of the pilot project as a model should serve to strengthen such linkage deficiencies;
- d) Education Management Information System (EMIS) – The project has succeeded in developing a sound training program, obtaining required computer equipment and software, and establishing a training laboratory. However, there is a serious lack of available counterpart inter-facing MOE staff, and there is an urgent need for clear MOE policies and procedures for this important data management function. The current MOE restructuring process warrants a temporary suspension of the training programme and the delivery of computer equipment to the District level;
- e) Gender and Equity – In the context of the recent completion of the USAID funded MOE Program for the Advancement of Girls' Education (PAGE), the opportunity to seek new interventions to continue to address to gender and equity concerns is fortuitous. The experience of various on-going activities within and outside of Zambia can provide

- valuable inputs to the introduction of new initiatives, such as a) gender appropriate curriculum b) gender across the curriculum c) equity in the classroom methodology d) bursaries e) assistance to HIV/AIDS girl-orphan victims;
- f) HIV/AIDS – The concerns of the pandemic are being addressed across the on-going USAID projects. In addition, MOE has developed initiatives toward meeting the problems resulting from the pandemic: a) HIV/AIDS Strategic Plan b) the Assessment of HIV/AIDS Impact on Education. The MOE is also participating actively in District HIV/AIDS multisectoral task forces. Such initiatives require both domestic and regional support;
  - g) MOE/BESSIP: The MOE/ BESSIP via its nine component programmes is addressing important Basic Education areas of need. However, other needs still require future attention: a) the community school sub-system b) the upgrading of untrained teachers c) the service role of the NGOs and CBOs d) decentralization e) assessment of student performance. Stakeholder assistance in such areas is necessary via project and non-project/pool-funding modalities;
  - h) Stakeholders: While USAID is recognized as exercising considerable influence in Basic Education at present via its broad project initiatives, it could enhance its impact by direct participation in the MOE/BESSIP non-project/pool-funding modality. In addition, given the high priority accorded to sustainability in all its development activities, and in particular in Education, the service role of NGOs and CBOs has been identified as key to such sustainability;
  - i) Teacher Education: Given the high attrition rate of teachers due to the HIV/AIDS pandemic, the necessity of integrating untrained teachers into the Basic Education sub-system, and the reluctance of teachers to serve in the rural areas, a grave problem is thus imposed on the MOE/Teacher Education Programme. Addressing this serious situation can exercise a direct bearing on the quality of student learning in the classroom.

## **NEW DIRECTIONS**

- a) The MOE's new Strategic Plan 2003-2007, the Sector Review of the MOE/BESSIP, and USAID project activity has informed the identification of a number of new directions for future support by USAID/Zambia;
- b) Community School Sub-System – Stakeholder consensus indicates that the issue of the Community School Sub-System is a major challenge facing the MOE/BESSIP. The latter requires the assistance of stakeholders to address it;
- c) Teacher Education – The institutionalization of MOE policies to integrate untrained teachers in to the Sub-Sector system, and subsequently to promote their professional development, and the growing number of such personnel (8 percent of the national teacher corps) have created a major area of concern necessitating urgent attention;
- d) Decentralization – The MOE/BESSIP has implemented the decentralization policy of empowering the District Education Board (DEB) with the responsibility for the management of basic education programs and activities at the District level. The effective execution of this policy is at risk because of the general lack of familiarity of DEB members with MOE policy, school supervision, and community sensitization;
- e) Service Role of NGOs and CBOs – The service role of the NGOs and CBOs in Basic Education is often thwarted by the following: a) lack of collaboration b) broad diversity of objectives, policies, and activities c) scarce availability of funding d) access to resources;
- f) Assessment of Student Performance – The introduction by the MOE/Examination Council of Zambia (ECZ) of the policy on competency-based assessment/testing demands the development of technical capacity (staff and equipment) and improvement of the administration of the assessment process at the school level;
- g) USAID/Zambia Country Strategic Plan 2004-2009 - Given the need for macro strategic planning for development to address all sectors of society, including the Education Sector, in the context of the present and future Zambian experience, certain key factors require consideration: a) the community b) the HIV/AIDS pandemic c) capacity building d) collaboration and coordination among all stakeholders e) close cooperation with the GRZ/MOE/BESSIP f) decentralization g) multisectoral approach strategies.

### **3.0 Recommendations**

The following recommendations have been developed as a result of a broad review of relevant literature, interviews and meetings with educators and stakeholders, a field visit to the Southern Province, an extensive analysis of available data, a careful study and analysis of the MOE's new Strategic Plan 2003-2007. As such, they are intended to contribute importantly to the improvement of Basic Education in Zambia.

#### **USAID Project Activities**

##### **School Health and Nutrition (SHN)**

- a) The on-going pilot study in the Eastern Province should be continued so as to serve as a model for expansion;
- b) The study "School Health and Nutrition Proposed Expanded Strategy 2001-2009" of July 2002 should be studied carefully; implementation of scaling up be undertaken cautiously; and, the issue of procurement of programme materials be addressed expeditiously;
- c) A multisectoral collaboration should be effected (MOE/ MOH/MCDSS, private sector) to address the following issues: training of administrators, procurement of materials, implementation of the programme at the school level, and monitoring/evaluation at the school level to ensure appropriate impact on targeted beneficiaries.

##### **Interactive Radio Instruction (IRI)**

- a) The capacity building of the programmers of the MOE/Education Broadcasting Service (EBS) by the technical assistance team of the pilot project should continue;
- b) The IRI should be formally integrated into the MOE System (formal school, community schools, distance education);
- c) A system of monitoring and evaluation should be developed by the MOE;
- d) EBS system of production and distribution of materials should be strengthened;
- e) The remuneration of the volunteer Mentors should be explored, e.g., allowances;
- f) The value of IRI for community development should be explored in a multisectoral manner (MOE/MOH/MCDSS/NGOs/CBOs);
- g) USAID should actively explore support of the development and integration of the Community Radio Station System (CRSS) into the MOE Distance Education Programme.

##### **Community Sensitization and Mobilization Campaign (CSMC)**

- a) The consolidation of the pilot activity into a model instrument for potential scaling up should be a priority;
- b) The monitoring function must be strengthened to assure appropriate assessment of the programme's impact;
- c) The close collaboration of the LINE Mi



- e) The MOE should explore tapping domestic external technical experts for the Planning Unit (e.g., private sector, UNZA, etc.);
- f) The MOE/PU should develop and codify policies and procedures for the implementation of the EMIS, particularly for the decentralized sub-systems.

#### **Gender and equity programme for girls in basic education**

- a) Focus should be placed on student performance (retention, promotion, completion) in the formal sector;
- b) USAID should explore further the Ambassador's Scholarship Program Initiative with FAWEZA and EDDI;
- c) A study should be undertaken to determine to what degree the national curriculum and education materials are gender appropriate;
- d) The utilization of the Equity in the Classroom (EIC) methodology should be explored for implementation in Basic Education;
- e) The implementation of the pilot Gender Across the Curriculum Programme at the D. Livingstone Teacher Training College should be continued and expanded to the other TTCs;
- f) USAID should evaluate the experience of the pilot "HESHEMA" Project for possible integration into the Gender Across the Curriculum Programme of the TTCs;
- g) USAID should explore the development of a school attendance programme for HIV/AIDS girl-orphan victims to minimize the demand for the provision of home care by the family; to be effected via the SCOPE Programme;

#### **HIV/AIDS**

- a) USAID should participate actively in the implementation of the MOE/HIV-AIDS Strategic Plan 2001-2005;
- b) USAID should continue to support HIV/AIDS activities in all its current projects (SHN, IRI, CSMC, EMIS, new Gender/Equity Programme);
- c) USAID should support the planned "Assessment of HIV/AIDS Impact on Education" study, especially relative to education policy and institutional impact on management structures and personnel;
- d) USAID should support the proposed HIV/AIDS curriculum programme "Life Skills for HIV/AIDS" of 2002;
- e) MOE should participate in and seek the support of the Multisectoral HIV/AIDS Task Forces in the Districts;
- f) MOE should seek the assistance of the USAID-funded Regional HIV/AIDS Task Force based at the University of Natal in Durban, S.A. for the implementation of its new HIV/AIDS Strategic Plan.

#### **MOE/BESSIP**

- a) USAID should direct its support of the effective execution of the new MOE Strategic Plan 2003-2007 and the implementation of BESSIP via its project activities and its potential non-project efforts;
- b) USAID should consider supporting other MOE/BESSIP component options in areas of identified need.

#### **Stakeholders**

- a) USAID should participate in the non-project funding modality in support of the existing MOE/BESSIP pool-funding policy, in collaboration with other donors;
- b) USAID should contribute to the sustainability of Basic Education in the communities by supporting NGO and CBO education initiatives and activities.

#### **Teacher Education**

USAID should be more actively involved in the Teacher Education Programme of MOE/BESSIP, as a new programme direction.

## **USAID Country Strategic Plans 2004-2010**

USAID should assure its appropriate participation in the Basic Education Sub-Sector by emphasizing the following issues in its new CSP:

- a) The community is recognized as the focal point of education development in Zambia;
- b) The HIV/AIDS pandemic is exercising a serious debilitating impact on the Basic Education Sub-Sector;
- c) Capacity building at all levels is crucial to quality in the Basic Education Sub-Sector;
- d) Collaboration and coordination among stakeholders are necessary to assure effective utilization of scarce development resources;
- e) Close cooperation with the GRZ/MOE/BESSIP is essential to guarantee appropriate impact;
- f) Strengthening the decentralization process of the GRZ/MOE is vital to sound education development in Zambia;
- g) The multisectoral approach is key to the development of the Basic Education Sub-Sector.

## **New Directions**

The Sector Review of the MOE/BESSIP and USAID project activities has informed the identification of a number of new directions for future support by USAID/Zambia.

- a) Community School Sub-System – Stakeholder consensus indicates that the community school sub-system is major challenge facing the MOE/BESSIP. The latter requires the assistance of stakeholders to address it USAID/Zambia should assist the MOE in strengthening the Community School Sub-System in Zambia;
- b) Teacher Education – The institutionalization of MOE policies to integrate untrained teachers in to the Sub-Sector system, and subsequently to promote their professional development , and the growing number of such personnel (8 percent of the national teacher corps) have created a major area of concern necessitating urgent attention;
- c) USAID/Zambia should assist the MOE/Teacher Education Department in the training of unqualified teachers in all sectors of the system;
- d) Decentralization – The MOE/BESSIP has implemented the decentralization policy of empowering the District Education Board (DEB) with the responsibility for the management of basic education programs and activities at the District level. The effective execution of this policy is at risk because of the general lack of familiarity of DEB members with MOE policy, school supervision, and community sensitization;
- e) USAID/Zambia should assist the MOE in the Decentralization of Education Delivery in Zambia by training the members of the District Education Boards in education management;
- f) Service Role of NGOs and CBOs – The service role of the NGOs and CBOs in Basic Education is often thwarted by the following: a) lack of collaboration b) broad diversity of objectives, policies, and activities c) scarce availability of funding d) access to resources;
- g) USAID/Zambia should assist the NGOs and CBOs in strengthening their service role in Education;
- h) Assessment of Student Performance – The introduction by the MOE/Examination Council of Zambia (ECZ) of the policy on competency-based assessment/testing demands the development of technical capacity (staff and equipment) and improvement of the administration of the assessment process at the school level and other learning centers (e.g., IRI, community schools, etc.);
- i) USAID/Zambia should assist the MOE/ECZ in strengthening its assessment/testing/administration process of student performance.

## **ANNEX M: POPULATION, HEALTH AND NUTRITION SECTOR ASSESSMENT**

### **Summary**

#### **1.0 Introduction**

##### **1.1 Purpose of the Assessment**

The purpose of this assessment of the population, health and nutrition sector is to contribute to the development of a concept paper for USAID/Zambia's next Country Strategic Plan.

##### **1.2 Methodology**

The exercise was conducted in two phases: a desk review of key documents on the health sector, and a consultation with partners. In the past five years several large-scale reviews of the health sector have been conducted. These documents were reviewed in preparation for the current assessment. This enabled the team to focus specifically on USAID programming in the context of the Zambian health system and in light of the social, economic and political realities in which Zambia finds itself today. We examined existing and potential partnerships with the Government of Zambia (GRZ), the donor community, implementing organizations, community structures, and the potential synergies within the entire Mission portfolio, most especially with agriculture and education. We also reviewed the real and potential health benefit of our programming on the citizens of Zambia.

In this document articulates a vision of where USAID/Zambia might like to be in five to eight years and highlight issues and options for the technical focus and the way USAID/Zambia does business in Zambia in order to achieve this vision. The recommendations in the final section of this document reflect the lessons learned and advice of stakeholders ranging from the Minister of Health to the members of a neighborhood health committee.

#### **2.0 Findings and Recommendations**

##### **Cross-Cutting Issues**

- a) Effort should be made to streamline the process through which USAID contributes to the District Basket Fund (non-project assistance) via the Sector Program Assistance agreement. With regard to the size of the contribution to the Basket, it certainly should not be decreased. A better functioning district health system is a necessary condition for the effectiveness of much of the technical assistance USAID provides. Continued use of this mechanism, however, is contingent on exemption from or elimination of the current prohibition on use of CDS funds for non-project assistance.
- b) Insufficient human resources are the major constraint at all levels. Conditions of service and remuneration are poor. Supervision is practically non-existent. There has been too much emphasis on individual training and not enough on providing staff with the means to effectively discharge their responsibilities. There should be incentives to provide service to rural areas. De-linkage provides an opportunity to increase remuneration and better service conditions. USAID should advocate on these issues and work with the World Bank, UNDP and GFATM to overcome these constraints.
- c) In the follow-on to this assessment, discussions should be undertaken with a number of USAID/Zambia's partners to determine where there is opportunity for joint activities. Under the US/ Japan Common Agenda, USAID/Zambia and JICA have developed a number of successful joint activities, e.g. malaria interventions in Eastern Province and cross-border work targeting truck drivers and commercial sex workers. Further opportunities for collaboration should be explored. DfID has launched a new HIV program that appears to follow a strategy very similar to USAID/Zambia's own HIV/AIDS strategy. There may be good opportunities for joint programming. Similarly, USAID and UNICEF programming have many areas in common in child health, nutrition and orphans and vulnerable children – there may be opportunities for effective collaboration beyond what is currently being done.

- d) While the GRZ does not object to USAID's relative prioritization by public health issue, both the JHAM and informal government feedback suggest that key challenges for which additional USAID resources would be welcome include additional support for human resources and procurement of essential drugs and other health commodities.
- e) The current ZIHP structure of four peer agencies (plus NGO grants through CHAZ) has worked reasonably well but alternative arrangements (e.g. prime and subagreements, leader and associates) should be considered for the next procurement.
- f) Bilateral technical support needs to be better integrated with district health management team and Central Board of Health program activities. ZIHP has been seen to be implementing activities in a way that does not match needs and resources. The CBOH and DHMTs wish to be informed about the budget for ZIHP-supported activities. More capacity development at provincial and district level can help as well as more central-level assistance through close work with MOH/CBOH counterparts. The lessons learned from ZIHP on how best to work with Zambian counterparts should be incorporated into the design of the follow-on to ZIHP.
- g) This assessment has not addressed the issue of geographic focus. This will need further attention as the design process proceeds. Should the future program focus in certain specific provinces? Should there be stronger support to the provincial health offices than there is in the current program? Where should TA be based, in Lusaka or more peripherally?
- h) More discussion is needed on the most appropriate mix of central vs. bilaterally funded activities, their respective roles and consequences for Mission management.
- i) The Mission should articulate a vision of where it would like to be in the next five to 10 years in terms of health impact. This would go beyond the priorities and recommendations of JHAM, JIFM and NHSP which focus on processes and not the health outcomes of those processes.

#### HIV/AIDS

- a) Though GFATM resources are welcome in Zambia, programming these resources will be a major challenge. There are very significant needs both at the National AIDS Council and MOH/CBOH for technical assistance on management for these funds and other new resources expected. Budgets are still unclear. Priorities are unclear. There needs to be a rationalization between the 'country coordination mechanism' and the NAC. USAID should continue to lead the donor community in continuing to operationalize the plan. Also, we need to retain flexibility to adapt USAID programs to the fund.
- b) As a Rapid Scale-Up country, USAID/ Zambia, in conjunction with other donors, will need to expand coverage quickly. Currently, for most of these HIV/AIDS program activities, coverage is far less than 80 percent of the targeted population. To help achieve this target, USAID/Zambia should:
  - Identify those proven interventions that can be taken to scale and expand these rapidly.
  - Coordinate closely with GFATM and with other cooperating partners, esp. DfID, to prevent gaps in coverage as well as redundancy.
  - Identify existing community-based interventions that are currently not supported by USAID but could be expanded easily.

A number of recommendations were made concerning how to strengthen each technical component of the HIV/AIDS program which will not be repeated here. Refer to this sector of the document for details.

- c) HIV/AIDS prevention interventions should be focused to reach the most vulnerable populations in high transmission areas. Three key recommendations in the area of prevention are to increase:
  - Targeting high risk groups/locations and young people, especially girls;
  - Emphasis on rural areas;
  - Interpersonal communications and work through the churches and traditional leaders.
- d) A comprehensive strategic approach to youth should be developed.
- e) The situation analysis on OVCs should be updated. In addition to an update OVC situation analysis, it will be important to identify and then review the capacity of key institutions and bodies in Zambia working with orphans and vulnerable children. The resources required to improve the

capacity of the various institutions identified should be included in the national framework/national plan of action.

- f) A vacuum in leadership on OVCs exists in Zambia. In order to fill the void in leadership, and in order to develop a strategic vision, national framework, and national action plan, USAID should facilitate the work of government by acting as a convener to engage partners in a more systematic and regular manner. In addition to general coordination and information meetings, at both national and sub national level, USAID should consider facilitating the formation of a number of technical working groups. As a next step, the concept of establishing an OVC steering committee to provide leadership and facilitate coordination could be revitalized, its relationship with the NAC, CCM, and MAP mechanisms clarified, and its mandate and reporting obligations operationalized. Rather than delay the process by reopening the bureaucratic authority issues, it may be advantageous to proceed with the recruitment of a coordinator who, in the interim, can act as the convener of the OVC UN/NGO consortium.

#### Child Health

- a) Zambia was a pioneer in IMCI implementation, but the focus has been largely on health worker training. Community IMCI and system supports for IMCI have been relatively neglected. In preparation for a new Country Strategy, the Mission needs to review its approach to IMCI. More attention should be given to integrating an IMCI approach into pre-service training. Factors compromising IMCI performance by trained workers need to be better understood and appropriately addressed. Appropriate supervision, adequate access to necessary equipment and commodities and necessary infrastructure (water, electricity) need to be assured either through direct USAID/Zambia support or through support from other cooperating partners.
- b) USAID/Zambia should continue to support: 1) nutrition interventions, notably vitamin A supplementation and micronutrient fortification and 2) interventions aiming to strengthen delivery of EPI services.
- c) Zambia is a USAID malaria 'plus-up' country. USAID/Zambia should continue supporting the coordinating and leadership role of the National Malaria Control Program in managing the development of ITN work to maximize both unsubsidized private-sector sales and distribution of subsidized nets to the poorest and most vulnerable, with the goal of attaining maximal protection of the population.
- d) Continued support will be needed in monitoring anti-malarial drug efficacy and managing the deployment of new drugs to ensure continued acceptable effectiveness. There will be significant challenges over the coming two years as sulfadoxine-pyrimethamine (SP) replaces chloroquine for outpatient use and by quinine for in-patient use. USAID/Zambia could support drug policy discussions around a possible transition to artemether as standard injectable malaria treatment, particularly in more peripheral parts of the healthcare system.

## Reproductive Health

- a) Sales of socially marketed contraceptives invariably reach their targeted levels, however, it is unclear whether these services are having an impact on unmet need by reaching the rural poor and under-served, and women at the extremes of reproductive age who are most at risk of complications of pregnancy. It is also not clear whether sales of contraceptives have an impact on birth spacing, and prevention of pregnancies among HIV positive women - a key component of any program to address maternal to child transmission of HIV/AIDS. These may be questions appropriate for a special study that would help to guide the development and targeting of services.
- b) USAID should revitalize the contraceptive security working group comprising CBOH, DfID and UNFPA. The assessment team believes that USAID has a critical leadership role to play in leveraging support for procurement of contraceptives as well as developing a long-term strategy for assuring that stocks of contraceptives are available in all public clinics. USAID should re-engage CBOH in policy dialogue on the safety of Depo-Provera<sup>®</sup>.
- c) Cost-efficient alternatives to CBD programs should be sought in the next Country Program. The current program of outreach through employer-based agents in workplaces should also be continued and expanded.
- d) To improve the quality of reproductive health services, training and skills-development continue to be needed but alternatives to centralized training schemes, moving more toward on-the-job mode, should be explored. Additional attention should be given to improving provider performance through non-training methods. Strengthening pre-service education is a "good buy" in that nationally recognized curricula coupled with updating the skills and knowledge of tutors and improvements in training materials and training sites can be scaled up efficiently.
- e) USAID and other leading agencies supporting safe motherhood programs worldwide do not recommend investment in TBA training as the solution to extending safe motherhood services. But TBAs do have a role to play in the chain of referral, helping women and their families recognize complications early and seek appropriate care from a skilled attendant.
- f) Antenatal care should be strengthened. USAID/Zambia has already been involved in guidelines development to strengthen antenatal care but should also consider actually making these services available, either through direct involvement in commodity procurement or leveraging such support from other cooperating partners.
- g) Work in post-abortion care made considerable progress in the last year and should be continued. The next phase needs to operationalize how these services will be pushed out to the periphery.

## Nutrition and Food Security

The Mission should develop an overarching strategy in nutrition and food security.

## ANNEX N: DEMOCRACY AND GOVERNANCE ASSESSMENT OF ZAMBIA

### Summary

#### 1.0 Introduction

##### 1.1 Purpose of the Assessment

This assessment of recent political change in Zambia was conducted during a three-week period during June 2002, and covers the period from 1997 to the present. It was timed to coincide with the early stages of a broader reflection process that will culminate in the definition of a new strategic plan to guide USAID/Zambia's programs over the 2003-2008 period and beyond.

##### 1.2 Methodology

In broad terms, the Democracy and Governance Assessment methodology developed by USAID's Center for Democracy and Governance informed the team's approach. The methodology is not intended to produce an exhaustive description of recent political history, but rather to enable small field teams to provide a political-economic "snapshot", and strategic recommendations to assist USAID in determining where its interventions may have the greatest impact in supporting democratic transitions or in promoting the consolidation democracy and good governance where they exist. It highlights five analytic elements (see Figure 1) in examining the interests, objectives and resources of key actors as they interact in at least four institutional arenas – competitive, civil society, rule of law and governance. This analysis is then filtered to generate strategic recommendations of utility in conceiving, designing and implementing democracy and governance assistance programs.

**Figure 1: Key Analytic Elements**

- **Consensus:** To what extent is there consensus on the fundamental rules of the game, and to what extent is the political contest played according to those rules?
- **Competition:** To what extent does meaningful competition take place in the political system and in other arenas of society? To what extent are there elections, a competition of ideas, a free media, and a vibrant civil society? Are meaningful checks and balances present in government?
- **Inclusion:** Are there problems of inclusion and exclusion? Are parts of the population formally excluded and disenfranchised from meaningful political, social, or economic participation?
- **Rule of Law:** Is there ordered liberty? Is politics, indeed are life, liberty, and property, bound by a rule of law?
- **Governance:** To what extent do social institutions (both in the public and private sectors), demonstrate a capacity to make and meet commitments, deliver reliably a minimum of social services and be held accountable for their performance?

With regard to the present assessment, several caveats should be noted at the outset. First, due to time and logistical constraints the team worked primarily in Lusaka, though it conducted a brief visit to Livingstone. Second, early team deliberations led to a decision to concentrate on the competitive, civil society and governance arenas. Consequently several important rule of law issues are dealt with only to the extent that they relate to other issues (including corruption and constitutional reform). This choice reflected a combination of factors including the accessibility of key informants and mission preferences. Interviews were conducted with a broad cross section of Zambian political actors and observers, civil

society organizations, government officials, as well as with the donor community and US country team. The assessment team also reviewed a wide range of documentary resources.

## **2.0 Findings**

The most significant finding of the present assessment is that the issues of political accountability and executive dominance, and the concomitant issue of systemic corruption, condition developments in all significant institutional arenas. The prevailing absence of political accountability has deep historical roots in Zambian political history and is embedded both in the structure of institutions and in the informal norms that govern the behavior of political actors and citizens throughout the political system. It has contributed to the development of a culture of impunity among the powerful, and a culture of avoidance that governs the behavior of those who are not. The stalling of political liberalization after the 1991 transition resulted in large part from the failure to alter institutional arrangements designed to entrench executive (in practice, presidential) domination of both state and ruling party structures during the period of one-party rule. The dilemma of Zambian politics is how to break the Gordian knot that confronts efforts to reduce, channel and redistribute the power of the executive, since such efforts are ultimately subject to executive approval. In the present political context, the prospects for such reform appear closely linked to what is perhaps the second most pressing issue for the Zambian polity—reducing the prevalence of official corruption, which drains scarce developmental resources and seriously undercuts state legitimacy.

The reader should bear in mind that the present assessment covers the period 1997-2002. Much of this period was characterized by the further consolidation of an essentially patrimonial political regime in the context of a dominant party system. Only in the wake of the Third Term Debate and the 1991 elections have there been significant political developments. Consequently, the discussion below proceeds simultaneously along two tracks. One characterizes the Zambian political system as it exists in structure and substance—in essence, it describes the hurdles that must be overcome if Zambia is to become increasingly democratic. The second seeks to understand the potential for a transformation of this system embedded in the developments of the last year, as a basis for identifying areas in which donors, and USAID in particular, can support positive developments.

## **3.0 Recommendations**

Focused pressure to initiate structural reform, coupled with assistance in crafting and implementing reform measures is needed. Observers of the Zambian political scene appear virtually unanimous in asserting the importance of continued pressure for reform from civil society both to advance the reform agenda and to prevent backsliding. Civil society has matured and deepened during the past decade and, in the course of the Third Term Debate, demonstrated an impressive capacity for cooperative action. For civil society to be most effective, this momentum and focus must be maintained. The challenge for those interested in reform will be to identify, bring together, and focus the energies of key reform constituencies in government, the political realm and civil society. Serious attention should be devoted to ensuring that civil society is adequately prepared to take advantage of opportunities when they arise.

A strong emphasis should be placed on the development or strengthening of mechanisms that link civil society organizations to the policy process, probably around specific reform agendas. Demand-driven reform efforts appear likely to succeed more easily where key government stakeholders can be involved or brought along with the identification of needs, the articulation of problems and the identification of solutions. To the extent that these tasks can be addressed in a broadly participatory manner, an added benefit may be to break down bureaucratic cultures rooted in traditions of “government by command,” as well as unnecessarily confrontational postures on the part of CSOs.

In order to increase the efficacy of CSO interaction with government institutions, programming should be extended to include support for CSO capacity strengthening in key areas including analytic & policy research capacity, and understanding of the policy and legislative processes. In parallel, donors should support the establishment of neutral venues or fora where sustained interaction between CSO and selected government institutions on key policy issues can take place. The goal would be to create a habit of constructive interchange by actors from both spheres who are committed to reform.



Many observers suggest that the opportunity now exists to work with selected government institutions, and to support forming effective linkages between these structures and CSOs advocating for policy reform. Parliament is a natural place to focus attention if the overall intent of programming is to focus increased attention on developing the supply side response to more effective citizen advocacy. We would not recommend that USAID work unilaterally with parliament, but continue its assistance within the context of the existing multi-donor parliamentary assistance program.

If resources were available for the Mission to consider the development of an additional field of activity, a concerted effort in the domain of anti-corruption should be seriously considered. As an essential first step in developing such an effort, a detailed anti-corruption assessment should be conducted, focusing on both supply and demand sides of the equation. Systematic anti-corruption efforts are critical in a number of regards, not least because a failure to address root causes will leave Zambia vulnerable to a recurrence of the systematic looting of public resources that characterized both previous residential regimes. Issues of corruption will likely be among the most critical factors stimulating sustained citizen pressure for reform. The success of anti-corruption efforts appears to depend to an extent on continued pressure from civil society, the sequencing of efforts, and the development of credibility as reforms gain momentum. Credibility in turn appears to depend both on demonstrating success in prosecuting key individuals from the previous regime and, at the same time, on demonstrating that anti-corruption initiatives are both impartially applied and not merely instrumentally useful in eliminating political opponents. An incremental approach to policy design and institutional capacity building in key areas such as audit capacity, information management, regulatory reform, and a raft of transparency-related initiatives will be needed over the longer term. Whether USAID should become involved in this arena will likely be dictated by availability of resources. We would encourage the adoption of a demand-side approach to this arena, at least until serious commitment to reform has been demonstrated.

## **ANNEX O: GENDER ASSESSMENT: AN ANALYSIS WITH LESSONS LEARNED AND RECOMMENDATIONS FOR USAID/ZAMBIA'S FY2004-2010 COUNTRY STRATEGIC PLAN**

### **1.0 Introduction**

#### **1.1 Purpose of the Assessment**

This gender assessment was undertaken by USAID/Zambia as a requirement under the agency guidelines on planning and procurement, Automated Directives System (ADS), series 200 and 300 in support of the new country strategy. The need for this gender assessment is also supported by the Zambian Government's efforts to mainstream gender into its national program planning and implementation as evidenced by the adoption of a National Gender Policy (NGP) in March 2001 and the subsequent development of a National Gender Action Plan, as well as the efforts made at incorporating gender in the Transitional National Development Plan 2002-2005 (TNDP) and the Zambia Poverty Reduction Strategy Paper 2002-2004 (PRSP).

#### **1.2 Methodology**

The approach adopted by the gender assessment team for the gender analysis was to review the current CSP and the wider country context and from that, identify the lessons learned. Building on these lessons, as well as any other opportunities and emerging issues, identify areas for incorporating gender in the new CSP. To do this, the team used both secondary and primary data. Two approaches to gender mainstreaming were identified, that is, addressing Practical Gender Needs (PGNs) or Strategic Gender Needs (SGNs).

### **2.0 Findings and Recommendations**

#### **SO5 Increased Private Sector Competitiveness in Agriculture and Natural Resources**

In general, the study found that women are disadvantaged by their poor access, compared to their male counterparts, to resources such as information, credit (including inputs and technology), land, labor and participation in decision-making processes. Below are the specific gender concerns affecting SO5.

- a) Threats to rural household food security as a result of bringing women into commercial production - The gender division of labor results in men controlling cash crops and large animals (e.g. cattle) while women control food crops and small livestock (especially chickens). The increasing participation of women in the production of cash crops has the potential of compromising household food security because they do not control the income from cash crops.
- b) HIV/AIDS - There are issues about how, and to what level, men and women participate in HIV/AIDS programs: What are the HIV/AIDS activities to be targeted to the men and to the women? How can dialogue be promoted between men and women? What community structures, indigenous practices and knowledge of men and women can be used? Which ones are more effective for targeting men and women;
- c) Men and women dominate different areas of SMEs - Implementation during 1998-2003 CSP found that men and women dominate different enterprises. While there are credit packages for enterprises that are male dominated female dominated enterprises have none. Gender mainstreaming entails identifying some of the female dominated enterprises with the potential of contributing to the rural economy and supporting these;
- d) Natural resource management falls under different institutions - The fragmented nature of natural resource management under various institutions and guided by a variety of policy and regulatory frameworks, makes gender mainstreaming difficult;

- e) Protecting women's enterprises - There is a tendency for women to lose their enterprises to men when they become lucrative. This should not be allowed to happen, as it will defeat the purpose of targeting women.

#### **Proposals for USAID/Zambia's FY2004-2010 Country Strategy**

Based on the findings and lessons learned, the following are appropriate actions that O5 should be considered:

- a) The need to bring women into cash crop production without compromising their household food security: providing the farmer with a combination crops such as cereals, legumes and cash crops can do this;
- b) There's a need to address the constraints that women face in accessing the means of production;
- c) Research: USAID should identify areas where women's enterprises can be enhanced;
- d) Finally, HIV/AIDS needs to be part and parcel of the program addressing both men and women, as business is an area that exposes people to risk taking behavior. A number of strategies for action have been proposed under SO9.

#### **SO6 Improved Quality of Basic Education for More School-aged Children (Phase II)**

According to the Poverty Reduction Strategy Paper 29% of females have no education compared to 24% of males. Only 8.5% of females completed an education of Grade 10 or higher, compared to 15.6% males who attained the same level of education. Zambia has almost achieved parity in enrolment at lower Primary school level between the girls and boys. Unfortunately, there tends to be a decline in girls' enrolment to about 45% of the total enrollment, after grade 4. Further to the above disparities, there are rural-urban differences. In the rural areas 40% of the school aged children do not go to school as compared to 20% who are not in school in urban areas. Girls tend to drop out of school when there is a sick person in a household, where the girl is expected to assist in looking after the sick and eventually to take over when parents die.

In addition to the points noted above, the following are issues in the education sector that are gender specific:

- a) Inadequate physical school facilities: Evidenced by cases of girls being sexually abused as they walk the long distances to school;
- b) Inappropriate infrastructure for girls and boys: Boys and girls have different infrastructure needs specific to their sexes such as menstruation for girls. Provision of appropriate infrastructure is very important for creating an enabling learning environment for girls such as water and appropriate sanitation;
- c) Limited gender analytical and planning skills: Besides the constraint of perception identified above, some officers do not deal with gender because they just do not appreciate the issues or do not have the skills needed to undertake what is required of them;
- d) Absence of gender based budgeting and auditing knowledge and skills: An assumption is made that once plans have been made and resources allocated, both males and females will benefit equitably. The reality however has proved to be very different. This simplistic way of planning has led to programs not taking into account the specific needs of men and women;
- e) High attrition rate of teachers partly due to HIV/AIDS: Zambia is one of the sub-Saharan countries that have been impacted upon greatly by the HIV/AIDS pandemic.
- f) There has been cases where teachers have sexually abused girls in schools, exposing them to the HIV/AIDS virus;
- g) Gender Division of Labor: The Zambian culture places a heavier burden on girls than boys worsens with HIV/AIDS, as the girls have to miss classes in order to help with care giving for the HIV/AIDS patients and other chronically ill people.

### **Proposals for USAID/Zambia's FY2004-2010 Country Strategy**

Based on the findings and lessons learned, the following are appropriate actions that SO6 should be considered:

- a) Need for gender information: Planners need more information on the availability of physical school facilities for boys and girls, the nature and extent of sexual harassment of girls and the impact of HIV/AIDS on the families and continued education of girls;
- b) Gender capacity building is required to enhance an appreciation of the information gathering;
- c) Cultural issues are a major obstacle to girl's education. This can be addressed by working with the traditional rulers as the key pace setters of their people;

### **SO7 Improved Health Status of Zambians**

While reproductive health is rightly an area that has a direct bearing on women, addressing a woman's reproductive health does not simply start with conception and end after successful delivery and survival of both mother and baby. A range of social and economic factors, including women's status, education and income opportunities, shapes maternal health. Discrimination against women begins in early childhood where girls are given less food and fewer opportunities for educational and income activities, where they are expected to work hard at an early age and where their status is based on the number of children they will eventually bear.

The following are the major gender concerns affecting the health sector in Zambia:

- a) Issue of women having a lower health seeking behavior due to their being economically dependant on males and having a heavy workload;
- b) Women's culturally subordinate position in relation to men deprives them of control even on their own health and that of their partners. Female assertiveness, to take control over their lives and make decisions in partnership with the husband is the solution for changing this situation;
- c) The participation of women in the community action for health programs: Numbers do not always give an accurate picture of what is transpiring. There is need to know what activities men and women are participating in, are they reinforcing the traditional gender roles or are they empowering to both men and women;
- d) Continued efforts to enhance male involvement in the services provided especially Voluntary Counseling and testing (VCT), Prevention of Mother to Child Transmission services (PMTCT) and Reproductive Health especially Safe Motherhood programs as women are not in full control of their sexuality;
- e) Violence Against Women: This is a global phenomenon that affects women of any race, class, age, or religion. In Zambia, four in every ten women experience violence. The issue of violence against women is an area that is well acknowledged by health staff and yet very little is done about it. The normal practice is to treat the physical manifestation of the problem without attending to the emotional and mental affliction of the patient;
- f) Sexual stereotyping by health staff: A critical gender issue is the public relations between the health worker and the patient. Health workers come into their profession with their own prejudices that they have been socialized into and it is easy for them to start using these in dealing with male and female clients;
- g) Gender capacity development. Appointing Gender focal persons in the District Health Boards can help but a more sustainable and cheaper option of institutionalizing gender is to investigate the possibility of introducing it into the training curriculum

### **Proposals for USAID/Zambia's FY2004-2010 Country Strategy**

Many lessons have been learned and innovative programs initiated under the FY1998-2003 Country Strategy. The challenge however is to replicate these efforts on a wider scale in order to make a major impact.

Based on the findings and lessons learned, the following are appropriate actions that SO7 should be considered:

- a) The first challenge in addressing gender constraints in health is to address the issue of culture. This is the basis for a lot of the problems women face such as continued childbearing even when they are unable to provide for the children;
- b) The poor health seeking behavior of women also needs to be addressed;
- c) Health staff needs to be sensitized to the need to mainstream gender and to develop gender analytical skills. This will promote planning from a gender perspective so that some of the serious gender stereotyping in health service provision can be addressed;
- d) Addressing the issues of violence against women is a critical health issue. SO7 should look for opportunities to integrate mitigating activities into its programming and work with GRZ. One area that is particularly visible and urgent is HIV/AIDS. SO7 should also continue to support collection of data in this area as part of the DHS.

#### **SO8 Government Held More Accountable**

Men dominate decision-making in Zambia. A few examples of constraints faced by women in politics are:

- a) Adoption processes of political parties: Gender bias is rampant in party politics and adoption committees. Selection of candidates tends to favor strong male party members often replacing women after their initial adoption when men of high status decide to enter the elections. Many women start their campaigns late contributing to their lack of party adoption, often due to a fear of party expulsion if they reveal their desire to run too early in the campaign/adoption process;
- b) Media coverage during campaigns: Women who are not selected for candidacy by their parties, or who ran as independent candidates, receive little media coverage either from electronic or print media. When the media covers women, it is often not done with seriousness and they are normally put in a negative light;
- c) Lack of financial resources: Election campaigns are costly. Both financial and logistical support is needed to effectively lobby for votes through direct campaigning or media campaigns;
- d) There is a “lack” of experience among women coming into decision-making positions;

Other gender concerns in the Democracy and Governance sector are:

- a) Decision-making on reform of legal instruments: There are definitely a lot of areas of law and policy reform that will be required to facilitate promotion of gender equity and equality, such as, amending discriminatory clauses in the constitution and revising policies that are gender blind in which women are absent;
- b) Non-domestication of ratified international, regional and sub regional instruments: Zambia has ratified a number of international, regional and sub-regional instruments such as the CEDAW, that make it necessary for Zambia to take steps towards addressing the various constraints for women's advancement;
- c) Inadequacy of citizens and CSOs to lobby and advocate on issues: To enhance the work on advocacy and lobbying by citizens and CSOs, their limitations in terms of necessary skills for advocacy and lobbying and necessary information to advance their case especially for gender information need to be addressed;
- d) Relevance of debated issues on women's lives: Increasing public debates on issues that impact on gender relations such as HIV/AIDS, poverty reduction, property rights would increase the interest of ordinary citizens to participate;
- e) Lessons from indigenous governance on citizen's participation: Encourage effective participation by women in governance by supporting initiatives that enable women to ascend to high political office.
- f) Election administration and corruption: Institutions charged with administering elections are not responsive to the needs of women as they are male dominated. There is also a need to sensitize women on the impact of corruption on governance by increasing women participation in the functions of oversight institutions.

#### **Proposals for USAID/Zambia's FY2004-2010 Country Strategy**

Based on the findings and lessons learned, the following are appropriate actions that

SO8 should be considered:

- a) Some partners did not have any gender consideration in their work. For the new CSP, SO8 will need to add as criteria for partner identification, the requirement for partners to agree to adopt a gender approach to their work;
- b) Addressing the issue of the capacity of CSOs and women in leadership (especially in political leadership) is also a critical area. This is particularly so for the gender based CSOs that will need to advocate and lobby on various issues that will enhance women's capacity. The areas of capacity building include advocacy and lobbying skills and information especially from research e.g. the research to identify the laws and policies with negative bearing on women. These efforts should not only happen when there are elections but should be ongoing and sustained;
- c) The issue of domesticating the international instruments such as the CEDAW, the Convention on the Rights of the Child (CRC) and SADCC Gender Declaration that Zambia has ratified is an area that the next CSP might need to focus attention on as it deals with law and policy reform;
- d) Gender sensitization of the relevant officers in the judiciary and oversight institutions so that they can be responsive to the constraints and needs of both men and women. The lesson from the ADR initiative attests to this need;

#### **SO9 Reduced Impact OF HIV/AIDS Through Multisectoral Response**

HIV/AIDS is one of the most serious public health challenges facing Zambia today. The DHS statistics show a higher infection among women than men due to cultural, biological and socio-economic conditions that contribute to women's higher vulnerability to HIV/AIDS. HIV/AIDS affects women in a special way within the households.

The following are the major gender concerns relating to HIV/AIDS taken within a multisectoral context:

- a) Male involvement in the programs: When women are targeted with and get the messages they are empowered to say no to unprotected sex. Males have not been correspondingly enlightened to respect the women's' decisions.
- b) Using traditional systems to transmit and mould behavior: The influence that traditional structures still have even in modern day Zambia should not be underestimated. Chiefs and traditional counselors or initiators are a good entry point;
- c) Building and leaving skills in the community: Most organizations working on HIV/AIDS have a tendency of going into a community for outreach activities and then leave hoping their message will be remembered and acted upon. As such, it will be important to build and leave the skills within the community;
- d) Problems faced by the girls especially those that are orphaned and vulnerable: Orphaned girls are vulnerable, as they tend to become victims of sexual abuse at the hands of the guardians making some orphaned children decide to stay on their own and look after themselves. Besides the orphaned girls there are increasing reports of very young girls (as young as under one year old) being defiled;
- e) Building family support especially for children: When a family member is sick, the whole family is affected and often has a more difficult time adjusting than the infected person who may have already been counseled and come to terms with the situation. Children in such a situation might be equally affected and will also need to be supported. Emphasis will therefore need to be put on strengthening family support;
- f) Economic empowerment for widows and orphans: The relationship between poverty and HIV/AIDS is very pertinent when it comes to people getting involved in risky behavior to make ends meet. Economic empowerment might offer an option for them to stay away from risk taking behavior;
- g) The girl child is more vulnerable than boy child;
- h) There's need for capacity building of girls and women, such as assertiveness and legal awareness training;
- i) There's need to target support for gender activities in HIV/AIDS institutional set up to local NGOs and CBOs that are committed to gender and HIV/AIDS such as the Society for Women and AIDS in Zambia (SWAAZ) and Alangizi National Association;
- j) There are inadequacies in systems leading to legal redress and punishment: There is need to improve the justice delivery system in the face of so much abuse and violations on girls and women's rights in order to make them conducive for the complainant to go through with cases. It is useless to raise people's awareness of the need to seek legal redress if justice is going to be more difficult to obtain than letting the case rest;
- k) Issue of gender in information systems: Information is the basis for planning as it provides the need insight of what is required to be addressed.

### **Proposals for USAID/Zambia's FY2004-2010 Country Strategy**

Based on the findings and lessons learned, the following are appropriate actions that SO9 should be considered:

- a) Focusing on building skills at the community level. A lot of skills have been built among the CSOs to facilitate transmission of messages to the community;
- b) To add to the above approach, it is also proposed that effort be targeted at the traditional systems of power and specifically at the traditional leaders and the traditional initiators. Using traditional rulers is very effective as they have the mandate to issue directives such as banning the traditional methods of sexual cleansing, which involve actual intercourse and replacing them with symbolic gestures;
- c) Support to people living with HIV/AIDS and their family members needs to be addressed. The women and children need special attention in this effort.
- d) The issue of male involvement should continue being part and parcel of all community mobilization programs. Successful methods such as the football camps should be duplicated;
- e) The issue of economic empowerment of widows and orphans is also a critical area to be addressed but an area where most organizations are not keen to venture into;
- f) Addressing inadequacies of the legal systems is also very pertinent

**Institutional Implications for mainstreaming Gender into the USAID program**

Gender mainstreaming for the Mission is seen to be at two levels. The first level is the mainstreaming of gender considerations into the Strategic Objectives of the mission. The second level of gender mainstreaming is at the level of looking at the Mission, its structure and operations and how adequate it is in terms of effectively carrying out gender mainstreaming.

It is proposed that a Gender Mission Action Plan be developed and implemented by a mission-wide committee with representation from all Strategic Objective Teams.



## **ANNEX P: ANALYSIS OF FOOD SECURITY, HEALTH AND NUTRITION IN ZAMBIA**

### **Summary**

#### **1.0 Introduction**

##### **1.1 Purpose of Assessment**

The purpose was threefold: 1) to research the extent of the existing food security problem in the country and the types of vulnerable populations; 2) to evaluate the approach of the Mission's new 2004-2010 Country Strategic Plan concept paper for addressing key food security, health and nutrition issues; and 3) to advise the Mission on additional improvements they might include in the new strategic plan to enhance food security, health and nutrition interventions.

##### **1.2 Methodology**

A team of 3-4 people with expertise in nutrition in children under 5, management and design of P.L. 480 programs and food security, agricultural and economic development, and nutrition in the context of emergency situations was identified to represent the points of view of Africa Bureau, GH, EGAT, OFDA and DCHA so that one coherent and integrated approach may be taken to inform the further development of the CSP.

Prior to departure to Zambia, the team interviewed key individuals in the aforementioned Washington offices. The Mission, desk officer and country coordinator developed this list and facilitated the setting up of the meetings. Upon arrival in Zambia the team had meetings with key individuals in the Mission to review the Zambia CSP Concept Paper and the new results framework. The objectives of the assessment were reviewed, discussed and expectations clarified.

The Mission provided the team with background documents and identified in-country key informants. In addition to meetings with key informants a field visit was conducted to Southern province of Zambia.

#### **2.0 Findings**

##### **Current Food Security Situation**

Despite Zambia's good agricultural potential, there are significant, long-standing food insecurity problems in the country. This is particularly true in drought-prone areas in the Western Province and parts of the Southern and Eastern Provinces. However, agricultural output for many years has not kept pace with population growth, creating a major problem of chronic food insecurity for 70 percent of the population. (Republic of Zambia, Living Conditions in Zambia).

Several factors have contributed to continuous food shortages in Zambia. The long list includes recurrent droughts, pervasive poverty, poor infrastructure and limited investments in agriculture, insufficient attention paid to smallholder agriculture, policies that favor urban businesses over farmers and consumers over producers, policies that distort prices and interfere with markets, etc. But what separates this country from many others is its heavy dependence for the last three decades on maize as the predominant food crop. The production sector is dominated by maize, which accounts for about 65 percent of land cropped annually and for about 90 percent of all cereals. Fully 60 percent of an average person's caloric intake comes from maize, one of the highest levels of dependence on maize in Africa (United Nations (FAO). July 2002. Food and Agriculture Organization Statistical Database (FAOSTAT) Standardized Food Balance Sheet). In addition, Zambia has produced only enough grain to meet national food requirements for two out of ten years between 1990 and 2000. (United Nations FAO). This has clearly had a profound impact on the poor nutritional status of the population, especially the most vulnerable groups.

Presently, Zambia is faced with a food crisis attributable to unfavorable weather patterns compounded by reduced food production in the last two consecutive agricultural seasons

(2000/2001 and 2001/2002). Up to 50 percent of the Zambian population in rural and urban areas is facing some form of food insecurity. Those most affected include smallholder farmers, who rely on the food from their farms for subsistence, and the urban poor who will face higher food prices. The death and sale of livestock and sale of seed stocks to purchase food will also constrain the ability of vulnerable households to recover from the drought. Poverty is likely to deepen and the numbers of vulnerable populations may also continue to grow.

To make matters worse, the HIV/AIDS pandemic is having deleterious effects on productive assets and labor at the national and household level, as well as greatly impacting Zambia's health care systems. In the midst of this crisis, the current food insecurity is deteriorating community capacities at the local level to effectively cope with their growing poverty and to adequately feed and care for the more vulnerable members of their households. HIV/AIDS has emerged as a formidable and long-term constraint that will have a growing negative impact on Zambia's food security picture in the future.

#### **Current Health/Nutrition Situation**

Malnutrition in Zambia is a serious development problem, affecting almost fifty percent of all children under five years of age (2001/2 Demographic and Health Survey-DHS). It contributes to the country's high rates of child mortality and serious morbidity, affects mental development, and impedes school performance and labor productivity later in life. In adults, nutritional status affects the progression of HIV and the survival of those with AIDS. In the past ten years, increasing rural and urban poverty, a high burden of disease, and improper feeding and agricultural practices have led to a serious decline in nutritional status in Zambia. The current food emergency, characterized by very low household food stocks in rural areas and unprecedented high prices for maize in both rural and urban markets, will exacerbate the poor nutritional situation of vulnerable groups, such as young children, pregnant and lactating mothers, people living with HIV/AIDS and orphans.

The DHS provides the most recent national and regional level data on maternal and child malnutrition. Most alarming are the stunting rates for children under-five. Stunting is an indicator of chronic malnutrition caused by continuing inadequate food intake and/or frequent episodes of illness over a period of time. 46.8 percent of children under five are moderately stunted (below 2 SDs height for age) and 22.2 percent are severely stunted (below 3 SDs height for age). With these levels, Zambia has one of the highest rates of stunting in all of Africa. Stunting begins early in life with 36.8 percent of children 6-9 months already stunted, and increasing to 55.6 percent of children stunted between 12-23 months of age. Stunting early in life has irreversible consequences. Studies have found that adult stunting is associated with reduced physical capacity and economic productivity.

Overall the DHS presents a very serious national nutrition problem that has gotten progressively worse over the last ten years. If not addressed, malnutrition will continue to contribute to high rates of child mortality and morbidity, low birthweights, and reduced educational and economic performance for Zambians throughout life.

#### **Determinants of Food Insecurity and Malnutrition in Zambia**

- Poverty
- Shocks
- Dietary habits and improper child feeding practices
- Disease
- Agricultural policy and production factors

#### **Poverty**

Zambia is one of the poorest countries in the world, facing numerous macro-economic and social development problems. In the most recently released (2002) Human Poverty Index,

the United Nations Development Programme (UNDP) ranked the country 153<sup>rd</sup> out of a total 173 countries.

The ability of households in both rural and urban areas to access adequate food has significantly decreased during the last decade. According to the Central Statistics Office's Assessment of Poverty, more people were living in poverty at the end of the 1990s than at the beginning of the decade.

### **Shocks**

It is important to understand the influence of shocks, such as HIV/AIDS and the recurrent droughts on the food security and nutritional status of Zambians. Given the already severe poverty situation, many households no longer have the cushion to absorb these shocks and are taking longer to recover. These shocks cause already vulnerable households to become even more impoverished, more food insecure and less able to access a nutritious diet.

*Drought* has been a recurrent problem in Zambia over the past decade, especially in Southern Province. Since 1991 there have been three major droughts that have significantly reduced food production (primarily maize) to the point that the country had to declare disasters and seek international assistance. During the most recent 2001/02 cropping season, erratic rains and long dry spells resulted in low agricultural output and exacerbated an already precarious food situation. The result has been that 1-2 million Zambians have required some form of food aid in the 2002-2003 period. (SADC, Emergency Food Security Assessment Report).

HIV/AIDS has significantly affected food security and purchasing power of households throughout Zambia. HIV/AIDS strikes men and women in their most productive years. Over the past ten years, approximately 600,000 people have died from AIDS and approximately 1.0-1.2 million people are currently living with the disease. DHS 2001-02 indicates an 11percent prevalence rate in the rural areas and a 23percent rate in urban areas. As a result, over 1 million children are orphans, which include children who have lost one or both parents. Thus a substantial number of households have been affected by AIDS, either by the death of one or more of its members, or by caring for a chronically ill person or taking in additional children. This has meant a significant loss of income, increased financial burdens and social trauma for many households.

### **Dietary Habits and Feeding Practices**

Adult dietary habits and feeding practices for young children play a particularly important role in food insecurity and poor nutritional status in Zambia. Because of thirty year-old government policies for subsidized maize production, many areas of the country have turned from traditional crops such as tubers, sorghum, and cassava and concentrated on maize production. Consequently, maize has become the predominant staple and for most people eating a meal means consuming *nshima* (typically made from mealie meal). Traditional foods that once contributed to a diversified diet have been neglected over time as maize has filled an increasing percentage of the family diet, thus contributing to unbalanced diets and

#### Agricultural Factors

Zambia is a country of abundant land and water resources and has the potential for achieving long-term food security for its relatively small population. However, under-utilization of these resources has slowed the growth of the agricultural sector, leaving it vulnerable to the vagaries of weather and disease. Only 14percent of arable land is cultivated, while only 13percent of potential irrigable land is actually irrigated. A variety of climactic zones ensure a favorable environment for growing a wide variety of food and cash crops and possibilities for export expansion in horticulture, cotton and tobacco look promising. However, for the present these are small parts of an agricultural sector still dominated by maize. Government policy since the 1970s has strongly subsidized and supported national maize production. Crop diversification efforts are starting to change this national priority but production of alternative foods, such as cassava, sorghum and sweet potatoes is still insufficient to change the food insecurity picture.

Agricultural policy is an area that presents the biggest challenge to long-term food security. Government policy towards the farm and marketing sector has been erratic and frequently has reflected political imperatives other than improved rural incomes and national food security. Policies on input supply have constrained the private sector and farmer abilities to achieve significant and sustained production increases. The strategic food reserve has been ill managed and has not provided the necessary protection in times of food deficits. The subsidization of maize has subjected smallholders to undue risk in trying to feed their families and maintain their livelihoods. All of these are important areas where reform needs to be applied before serious progress will be made in stabilizing and growing the agriculture and rural enterprise sectors.

#### Vulnerable Groups

The primary groups in Zambia vulnerable to food insecurity, poor nutrition and ill health are:

- Young children
- Pregnant and lactating women
- People living with HIV/AIDS (PLWHA)
- Orphans and vulnerable children
- Households caring for PLWHA, orphans and vulnerable children (OVC)
- Smallholder farmers

These are the groups that would benefit most from USAID interventions in food security, improved health and better nutrition. They will comprise some part of the many communities that will participate in future USAID development programs. To design that program the Mission has completed a first step Concept Paper, which outlines the strategy to be pursued over the next seven years. This paper envisions a comprehensive development strategy combining five strategic objectives -- Increased Private Sector Competitiveness, Improved Education, Improved Health, More Accountable Government, and Reduced Impact of HIV/AIDS -- all integrated in support of an overriding goal of Prosperity, Hope and Better Health for Zambians. Themes of food security and HIV/AIDS support are woven throughout.

### 3.0 Recommendations

#### SO5 Increased Private Sector Competitiveness

- Food security should be an explicit theme of projects developed under SO5. SO5 clearly emphasizes an economic growth development approach. A well implemented core of programs under this objective targeting the private sector can contribute to food security as well. However, the choice of projects is important and food security must be more than just an after thought. It must be *explicit* in the design of the program. In this regard, we would recommend that food diversification – the cultivation of a variety of crops for

consumption and/or sale, be integrated into any new project designed under IR5.1 as an extension, training or technical assistance activity.

- Link production and nutrition/health activities to improve food security, health and nutrition of vulnerable groups. We recommend that any agricultural production and livelihood activities be firmly linked to household nutrition and health training through extension and technical assistance.
- To ensure that the linked program activities above are having a positive impact on household food security and nutrition, the performance indicator – *dietary diversity* – should be added to the IR5.1 list for monitoring and measurement.
- Dietary diversity – the number of individual foods or food groups consumed by a household over a given period -- has been shown to be a good indicator of the food access dimension of household food security.
- To achieve better impact in programs, pool resources with other donors and jointly implement contract farming and improved agriculture activities. Several donors are pursuing similar economic growth and food security objectives. Since these programs are costly, donors pooling their resources and targeting the same beneficiaries might have greater program impact than by operating individually.
- The Mission should continue its association with FEWSNET and the Regional Center for Southern Africa (RCSA) to stay abreast of early warning on drought developments. Zambia will continue to be impacted by recurrent drought in the future, especially during El Nino events. It will need the services of FEWSNET and RCSA to mitigate losses to its agricultural and livelihood programs as a result of weather related disasters.

## **SO 6 Improved Quality of Basic Education for More School-Age Children, Phase II**

- This program should address mitigating the impact of HIV/AIDS on the education system, as well as use the education system to prevent and control spread of the disease to youth. The education SO in collaboration with SO 9 should be using the education system to extend information to school age children and training to teachers about prevention of HIV/AIDS. The Ministry of education should also be actively taking actions to mitigate the impact of AIDS on its workforce.

## **SO7 Improved Health Status of Zambians**

- There is a need for a strategy across sectors to promote the importance of a more diversified diet. The Ministry of Agriculture should be assisting farmers with crop diversification and providing education to households about the nutritional value of certain crops. The Ministry of Education should be teaching about the need for diversification of crops and diet and the Ministry of Health should be reinforcing this effort with training materials and promotion through their own health services. The National Food and Nutrition Commission could play a coordination role in promoting this strategy.

## **SO8 Government Held More Accountable – Not applicable**

## **SO9 Reduced Impact of HIV/AIDS through Multisectoral Response**

- Nutrition for Positive Living should become an important component of PLWHA. Given the importance of good nutrition for achieving a longer and healthier life, nutritional education and dietary advice should be part of all support services and education materials.

## **All SOs - Synergies among SOs to Enhance Food Security and Nutrition**

- There is a need for a strategy across all sectors – private sector, education, governance, health, and HIV/AIDS – to promote a more diversified diet in Zambian households. The Mission should take the lead in bringing key Ministries together to discuss integration of roles in getting a combined message out to rural households about crop diversification, diversified diets, improved nutrition and health, and efficient education, training and extension.

## **PL480 Program: Integration with the Mission Development Program.**

- USAID should actively integrate available PL 480 resources into its relief and development programs in order to meet the extensive food security needs of vulnerable groups throughout Zambia. There is a critical need in Zambia for a stronger and wider safety net to capture the most vulnerable groups living in food insecure households. Food aid resources can be used both for safety net activities involving direct food distribution as well as to support longer-term agricultural and other livelihood activities that develop sustainable income flows.

## **Opportunities And On-Going Activities Related To Mission Strategy:**

There are a number of activities presently being planned or implemented that could be of use to the Mission in its strategic planning. These activities should be monitored for information and data over the next several months. Mission staff in various offices are aware of these activities, but we thought it would be helpful to review them for everyone. Some of these include:

- The new GRZ Agricultural Policy before the Parliament for review and approval.
- The FAO/Ministry of Agriculture study on the impact of HIV/AIDS on farming productivity
- FAO/DFID monthly crop assessments
- 2002/03 Crop assessment
- VAC after-harvest assessment
- WFP exit strategy
- Donor collaboration on new food security projects
- NFNC/MOH's National Nutrition Policy/Guidelines

## **Mission Management Implications:**

Team recommendations on enhancing the SO5 program should not require additional project officer management beyond what has already been proposed by the Mission. However, the Mission has discussed its desire to have a long-term food security expert at post to guide planning and implementation of food security activities. DCHA/FFP will review such a request for funding from the Mission when its final strategy document comes to USAID/W for review and approval.

For the health side of the portfolio, the Team recommends that the Mission hire an experienced HIV/AIDS Team Leader who can coordinate well with the other sectors and SO teams. Since HIV/AIDS is an interwoven theme in all SOs, this individual must have the technical experience and flexibility to coordinate an integration of SO programs to face the growing challenge of HIV/AIDS in Zambia today.

For the Title II PL480 C-SAFE and other programs that might be developed, DCHA/FFP will assign a project officer to backstop these programs and provide technical assistance on a semi-annual basis.

## **Conflict Vulnerability Issues:**

Zambia is a country facing many political, social and economic issues, but none of these appear to be presenting such a challenge to the country as to cause serious conflict and upheaval. Zambians by and large are a peaceful people and the country has never been involved in war or violence during its history as an independent country. Democratic processes are active and despite the food security issues of the drought, the population is using coping mechanisms to get through a period of deprivation. The WFP and PVOs are providing a supportive pipeline of food aid to the most vulnerable. The Regional Conflict Mitigation Officer conducted a review of the situation in Zambia and found no justification for requiring a CVA with the Mission's country strategy. Consequently, the Mission, through AFR/SA requested a waiver of this requirement. This Team supports the Mission's position.

## **ANNEX Q: INTEGRATING ICT'S INTO ZAMBIA'S COUNTRY STRATEGIC PLAN**

### **Summary**

## **1.0 Purpose of Assessment**

This document is the result of a TDY to Zambia by a consultant from the Leland Initiative from September 4 – September 11 2002. The purpose of the assessment is to outline for each strategic objective the potential Information and Communications Technology (ICT) interventions for incorporation into the upcoming Country Strategic plan.

## **2.0 Findings**

### **Role of ICTs in USAID/Zambia's FY2004-2010 Country Strategy**

USAID's overall agency-wide Strategic Plan defines ICT as "the combinations of hardware, software and the means of communication that enable the exchange, processing and management of information and knowledge." USAID/Zambia will incorporate ICT as a crosscutting theme.

USAID/Zambia intends to capitalize on the opportunities afforded by ICT's by more systematically integrating ICT's into its development programs, beginning with incorporating an emphasis on ICT's into its new Country Strategic Plan covering 2004 - 2010. Integrating ICT's in the CSP is critical for a number of reasons:

- a) The Zambian private sector and government are beginning to see the need for a national ICT policy; however, a united effort has yet to arise. USAID/Zambia, as the rest of the donor community, can serve as an invaluable example for the government and private sector in terms of prioritizing the role of ICT's;
- b) USAID/Zambia can play a significant role in supporting and helping to shape the efforts by the government and the private sector to strengthen the ICT sector and create an enabling environment that would encourage investment in Zambia's infrastructure;
- c) The success of USAID/Zambia's development programs stand to gain significantly by improvements made in the ICT sector, particularly relating to widespread telecommunications and Internet access.

### **The Zambian ICT Context**

Utilization of ICTs in Zambia is impaired by the following factors:

- a) Low access to ICTs – only 1% of the population has access to phones, and even less to computers; 85% of the nation's telephone network is found in the urban areas;
- b) High cost of computer ownership – All computer products are imported; nothing is produced or even assembled locally;
- c) High cost of Internet Access and poor quality of telecommunication services;
- d) Computer illiteracy among policy and decision makers;
- e) Lack of a pro-competition policy and regulatory framework.

## **3.0 Findings/Recommendations**

From the study it was evident that the mission needed to embrace ICTs in all its Strategic Objectives as a tool for achieving some of the Intermediate Results. The Mission will engage ICTs in three areas of focus that are summed up as follows:

- a) Access - promoting infrastructure development programs that support individuals and groups accessing information;
- b) Applications - increasing the capacity to use Information and Communications Technologies for sustainable developed, achieved through increased competitiveness, productivity and efficiency;
- c) Policy - supporting interventions relating to telecommunications policy and regulatory reform. This will assist the Zambian government in preparing telecommunications and other ICT related legislation.

Through the stakeholder consultations as well as interviews with selected partners, the following activities were identified as being overarching and needed to be addressed by all Strategic Objectives:



- a) Development of a National ICT Policy;
- b) Capacity Building for the Telecommunications Regulator;
- c) Lifting the monopoly that Zamtel currently has on PSTN provision.

While these overarching issues can be addressed within SO5, it is felt that these are also crosscutting issues, which involve all the Strategic Objectives.

It is recommended that the Mission create an ICT-Team (I-Team) that would spearhead the implementation of ICT activities using a cross-sectoral approach. The team will be comprised of members from each of the SO teams and from the EXO. The team can include virtual members from key players from programs in USAID/Washington.

## **Sector Specific Findings and Recommendations**

### **SO5: Increased Private Sector Competitiveness in Agriculture and Natural Resources**

ICT's are a critical component to achieving the success of SO5. In fact, there is a well-established correlation between the growth of ICT's and the strength of the private sector. One of the basic stumbling blocks to the competitiveness of the private sector is the inefficient or non-existent communications infrastructure. In essence, the growth of the small and medium enterprise sector is hindered greatly by their lack of access to and awareness of ICT's. ICT's enable quicker and more cost-effective transactions, broader communications with potential buyers outside of Zambia, and empowerment that comes from access to markets and market information.

Agriculture and Natural Resource based enterprises in the rural areas are especially disadvantaged. Given that this is where the majority of Zambian businesses exist, the impact of a poor communications infrastructure on the Zambian economy is devastating.

Recommended activities:

- a) Taking ICTs to district level for business farmers, agribusiness units and Tourism;
- b) Provision of ICTs including connectivity, E-Commerce and E-business for SMEs;
- c) Developing an Action Plan for providing connectivity to SO5 partners;
- d) Establishment of multisectoral Community Resource centres;
- e) Work closely with REDSO and RCSA on regional ICT policy and regulatory initiatives.

### **SO6 Improved Quality of Basic Education for More School-aged Children (II)**

ICT's do have a significant impact on the education sector in Zambia. Particularly under the current circumstances with severe teacher shortages and with the MOE having been forced to hire unqualified teachers, ICT's such as distance learning technologies or radio instruction in the classroom can be used to bridge the gap.

Advances in technology make it possible to provide distance education in locations where there is no telephone access, through either satellite link-up or the use of VSATs.

Currently, SO2 is developing the Education Management Information System for the Ministry of Education to collect and manage annual school census data including data on student enrollment rates, attendance, numbers of teachers, and etc. This data is essential for planning purposes and decision-making on resource allocation.

Recommended activities

- a) Continue and expand EMIS activities;
- b) Provide training within MOE at headquarters, provincial, education offices and Education Resource Centres;
- c) Explore the use of new technologies like WorldSpace for Distance Education to enhance both the Interactive Radio Instruction (IRI) program as well as develop new distance learning initiatives;
- d) Develop long-distance teacher education curriculum using multimedia technologies;

- e) Develop a pilot activity for Teacher Resource Centres.

### **SO7 Improved Health Status of Zambians**

ICT's have a critical role to play in the fight against the spread of HIV/AIDS or any disease, especially in terms of information sharing and awareness raising for the general public on the disease itself, its cause, and the means to prevent it. ICT's also play a significant role in disseminating treatment information to healthcare workers across a country and in remote areas. In addition, ICT's become very important for the collection, analysis and dissemination of national health data for policy development and planning purposes.

#### **Recommended activities**

- a) Continue support of the national Health Management Information System, including continued assistance in refining, expanding and documenting the system, training users, and addressing data quality and use;
- b) Assist in developing specialized computerized management information systems for VCT and PMTCT services;
- c) Consider the use of ICT as part of innovative approaches to health worker training;
- d) Use opportunities to link counterparts to health information resources available on the web and CD-ROM;
- e) Continue to find opportunities to expand the Zambian health information resources available on the web, such as the web-based databank of applied health research in Zambia established with assistance from USAID, the Zambia Integrated Health Program website, etc.

### **SO8 Government Held More Accountable**

Access to and sharing of information by both citizens and the government is a critical component to government transparency and stakeholders' access to policy information and providing feedback on policy performance.

#### **Recommended activities**

- a) IT tools for supporting corruption detection and prevention;
- b) IT support for encouraging Parliament to reach out to stakeholders and constituents; and for NGOs to reach in to Parliament;
- c) IT tools for Parliamentary Committees to research policy issues and for Auditor General to effectively analyze fiscal probity;
- d) Strengthened ITC in Democracy and Governance NGOs and other partners.

### **SO9 Reduced Impact of HIV/AIDS Through Multisectoral Response**

In view of the enormity of the HIV/AIDS pandemic, there is urgent need to make the best use of ICTs as a tool in mobilizing response to the pandemic. ICTs provide relatively low cost and efficient means of providing access to information and knowledge for those responding to the problem. ICTs allow for networks that have the potential to link partners in different spheres and locations.

#### **Recommended Activities**

- a) Develop multisectoral community based resource centres for training and dissemination of HIV/AIDS information;
- b) Provide connectivity and networking of SO9 partners (including development of web sites);
- c) Develop information resources (including training and awareness materials) available on web, CD-ROM and other technologies;
- d) Develop Information Systems and online database for tracking HIV/AIDS impact (indicators, lessons learned, etc).

## FOOTNOTES: EDUCATION SECTOR PROGRAM ASSISTANCE STRATEGY

- <sup>i</sup> MOE Strategic Plan 2003-2007, page \_\_\_\_ “BESSIP Core Performance Indicators Trend Report 1999-2002” cites 657,000 children age 7-13 not enrolled; this works out to 30% of 2,163,650 children page 2.
- <sup>ii</sup> BESSIP 2002 Trends Report, page 2.
- <sup>iii</sup> MOE “Strategic Plan 2003-2007,” page 28.
- <sup>iv</sup> Domestic resource projections are based on funding trends and commitments over the previous 7 years, while projections of external financing are based on pledges made through January 2003).
- <sup>v</sup> MOE “Strategic Plan 2003-2007,” page 25.
- <sup>vi</sup> MFNP “Economic Report 2002”, page 49.
- <sup>vii</sup> World Bank, “Zambia Public Expenditure Review – Public Expenditure, Growth and Poverty: A Synthesis”, December 2001.
- <sup>viii</sup> Trends Report, page 9.
- <sup>ix</sup> Trends Report, pages 11 and 12.
- <sup>x</sup> Ongoing projects/programs supporting BESSIP will continue to use the old classifications (Case 1 for “poolers” with funds controlled by MOE; Case 2 for non-co-mingled funds from different sources, available for all BESSIP components, controlled by MOE; Case 3 for non-co-mingled funds, restricted to specific components of BESSIP, controlled by MOE; and Case 4 for funds not controlled by MOE, but which support specific components of BESSIP (all USAID support to BESSIP currently falls in this category).
- <sup>xi</sup> Sun Financial Software
- <sup>xii</sup> MOE Strategic Plan 2003-2007, page 64.
- <sup>xiii</sup> World Bank, PEMFAR, final draft being reviewed by GRZ, March 2003.
- <sup>xiv</sup> This disbursement procedure was developed by USAID/Zambia for disbursement of Sector Assistance to the Ministry of Health. At this writing GRZ acceptance of this procedure is imminent (March 2003). If changes are negotiated in the disbursement procedure for the Health SPA, USAID should take the modifications into account as an Education SPA is negotiated with GRZ.
- <sup>xv</sup> “MOE Strategic Plan 2003-2007”, page 66.